FBIS DAILY REPORT

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CGT, BUSINESS AGREE TO JOIN ADVISORY COMMITTEE

PY191816 Buenos Aires BUENOS AIRES HERALD in English 18 Jan 85 p 7

[Text] (NA-DYN) -- The United CGT [General Confederation of Labor] and the nine business organizations participating in the socio-economic contract talks yesterday formally announced that the heads of each group would join the advisory committee proposed last week by President Raul Alfonsin.

On the strike front, tougher protest action by postal clerks was promised unless the Labour Ministry signs a wage agreement pact between Encotel [National Enterprise for Mail and Telegraph] and workers. Ramon Baldassini, secretary-general of the Federation of Postal Workers and Employees (Foecyt), said delegates meeting this morning "will certainly resort to strikes" unless the wage demands are met. Postal clerks have been staging work-to-rule measures since last December 26. Baldassini yesterday gave Encotel and the government until today's meeting to come up with a solution to the conflict that has kept over 10 million letters from being delivered.

Federation of Hospital Workers' (FATSA) spokesmen said 80 percent of the union's 60,000 members walked out of their jobs yesterday as part of a 48-hour strike to demand that hospitals comply with a wage agreement reached last October. However, the strike was only partly effective in Buenos Aires, where most hospital staff showed up for work as usual. According to unionists, Buenos Aires workers fear reprisals since the local FATSA branch is run by a government administrator and not "representative authorities" who would defend them.

White-collar telephone company employees yesterday began strikes per shift to demand that the National Telecommunications Enterprise comply with its wage agreement with workers.

Business sources yesterday reported that through the nine organizations taking part in the contract talks agreed to name their representatives to the presidential committee. at least two are demanding that the current number of 22 contract work groups be significantly reduced.

The CGT and the nine business organizations announced that their respective secretaries-general or chairmen would join the presidential committee in letters sent to the Interior Ministry.

Cordoba Governor Eduardo Angeloz yesterday met separately with the president and Interior Minister Antonio Troccoli to discuss last Tuesday's 14-hour provincial strike and his offer to unionists to set up a provincial contract board as well as a provincial labour ministry.

CGT, ECONOMISTS ON GOVERNMENT ECONOMIC PLAN

PY211954 Buenos Aires BUENOS AIRES HERALD in English 21 Jan 85 p 5

[Text] (NA-DYN) -- Jorge Triaca, one of the four CGT secretaries-general, yesterday announced the union grouping would be delivering "the preamble of social contract to be signed with the government" to Labour Minister Hugo Barrionuevo on Wednesday. This document will stipulate the return of social welfare funds to union hands, the repeal of the military regime's legislation, and the restoration of free collective bargaining between labour and management as conditions for signing a social contract, Triaca added.

In reference to the economic situation, Triaca did not "believe the government's figures because they are similar to those of former Economy Minister (Jose) Martinez de Hoz." He added that "we must finish with the idea that wage levels are among the villains of inflation, because this is a government lie." Proof of this, he continued, was that wage hikes are always less than inflation. Triaca also warned a contract would prove

impossible if unemployment rose and denied press reports he was on the verge of resigning from his CGT post. Meanwhile, Peronist economists Horacio Pericoli and Domingo Curia, who also serve as CGT advisers, revealed the CGT would be taking the government's five year plan seriously in contract talks but warned the social impact of any economic adjustment must be fairly distributed.

Pericoli said the plan, otherwise known as the Sourcouille plan after the present planning secretary, had a late 1960's look to it. They also predicted the government's agreement with the International Monetary Fund (IMF) would produce stagflation (stagnation plus inflation) in the short term, adding the favourable exchange rates for foreign currencies outlined in the Sourrouille plan were tantamount to lowering wages. Referring to the government's promise to maintain 1984 wage levels this year, they questioned whether the wage levels were satisfactory.

Eduardo Setti, another Peronist economist, yesterday described the Sourrouille plann as a conventional anti-inflactionary strategy which would leave Argentine per capita income behind 1974 levels in 1989, even if successful. Having lost one year in drawing up the plan, the government now proposed to lose another 15, Setti implied.

Speaking on the Radio Belgrano programme Manana, Tarde y Noche he complained that the people had neither voted for the plan nor had the Radicals promised it. Referring to the month of July 1975 when the policies of then Economy Minister Celestino Rodrigo produced more than 35 percent inflation, he said: "We've been having Rodrigazos for several months now." Daily devaluations and swinging public service price hikes constituted an inflationary policy, he maintained. The only solution was a clear income policy, concluded Setti.

However, Mario Brodersohn, president of the National Development Bank, defended the plan, saying the notion that the government planned to neglect the domestic market to promote exports was ridiculous. Only five percent of production was for export, he pointed out.

Back on the labour front, the four railwaymen's unions are to meet railway board directors today in order to express their total opposition to alleged plans to hive-off the most profitable railway lines to private enterprise. They are also to demand compensatory wage hikes in order to make up for 1984 inflation.,

ALFONSIN, CABINET STUDY WAGE POLICY PROPOSALS

PY191804 Buenos Aires BUENOS AIRES HERALD in English 18 Jan 85 p 1

[Text] (NA-DYN) -- President Raul Alfonsin met with cabinet ministers and the heads of 20 state firms yesterday to study ways of providing a "certain uniformity" to the wages of public-sector workers. Almost simultaneously, the General Confederation of State Workers (CGTE) placed its 1.3 million members on "state of alert" and accused the government of promoting a policy of "national apartheid" aimed at public workers.

After yesterday's meeting, State Oil Board (YPF) Chairman Hector Fiorioli told reporters that a uniform, sector-wide wage policy is trying to be worked out "so that we don't run into the same problems that we had last year" -- a reference to the rash of strikes that paralyzed rail and air traffic, stopped fuel supplies and made phone and communications difficult on and off in 1984. Fiorioli announced as well the creation of "an inter-ministry committee to study the wage issue of all state firms." Representatives from the Ministries of Economy, Labour and Public Works are to make up the committee.

Energy Secretary Conrado Storani added that the talks "did not include figures" but he emphasized that "we're looking for a solution" to the problems that last year led to delays in the payment of workers' wages and contradictory wage policies between government officials and state firms.

Current protests by postal clerks demanding that the Labour Ministry authorize a pay agreement reached with Encotel is a prime example of these contradictory wage policies. In addition, numerous conflicts demanding equal pay for equal work flared last year due to the wage disparities between state workers performing the same tasks.

The CGTE, meanwhile, charged the government with applying a "discriminatory" wage policy towards state workers and demanded an immediate meeting with Labour Minister Hugo Barrionuevo to discuss public-sector wages. In a statement, the CGTE said the government increased work benefits to private workers by 100 percent this month while state workers only got a 50-percent hike.

VISITING SOVIET OFFICIAL ON TRADE RELATIONS

PY221609 Buenos Aires TELAM in Spanish 2303 GMT 21 Jan 85

[Text] Buenos Aires, 21 Jan (TELAM) -- At the end of a meeting he held with Argentine Economy Minister Bernardo Grinspun, Viktor Ivanov, the Soviet deputy minister of foreign trade, said this afternoon that "Argentina will continue to hold a preferential place in future purchases of cereal grains made by the Soviet Union."

The foreign guest, who is heading a Soviet commercial delegation, said that during the meeting he discussed the possibility of increasing trade. He also noted that he is interested in achieving a balance in our trade, which at present is highly favorable to Argentina. Asked to be more specific about those items they are interested in selling to Argentina, Ivanov noted that the Soviet Union is a world power and consequently it can sell anything Argentina would like to buy. Ivanov completely rejected the possibility that the Soviet Union may be unable to meet its commitments with Argentina regarding the purchase of cereal grains. These commitments expire at the end of 1985. In this regard, Ivanov said that it will surely renew them since Argentina continues to hold a privileged position with the Soviet Union regarding the purchase of cereal grains. He also said that during his meeting with Grinspun, they discussed the possibility that the Soviet Union may supply technological and thermoelectric equipment, which is very important to Argentina. Ivanov noted that the USSR will make contributions in this area, but while respecting Argentina industry in order not undermine it.

7.5-Million-Ton Grain Deal

PY221830 Buenos Aires TELAM in Spanish 0331 GMT 22 Jan 85

[Text] Buenos Aires, 21 Jan (TELAM) -- The Soviet Union has purchased 7.5 million tons of cereal grains from Argentina and it must be delivered during 1985. This has been confirmed by both Argentine and Soviet officials a few hours after the Soviet delegation visiting our country since 16 January concluded its negotiations in our country. Of the 7.5 million tons of cereal grains, the purchase of sorghum corn and soybean total 4.5 million tons, while the purchase of wheat totals 3 million tons.

During the talks that the Soviet delegation, headed by Soviet Deputy Foreign Trade Minister Viktor Ivanov, held with Argentine officials, they discussed possibilities of increasing trade between the two nations and the possible implementation of complementary plans between Soviet and Argentine industry in various undertakings. This possibility was discussed indepth in view of the Soviet offer to supply turbines to equip the Piedra de Aguila hydroelectric plant.

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Trade

The Argentine and Soviet officials also discussed the implementation of several agreements signed in Buenos Aires in November during the meeting of the joint Argentine-Soviet commission which was attended by Soviet Deputy Foreign Trade Minister Aleksey Manzhulo. At that time, the agreements signed established that Soviet industry would provide equipment to enterprises such as the Government Oil Deposits, the water and energy company, the state gas company, and also road construction equipment to several provinces.

Argentine trade department officials and members of the Soviet trade delegation are scheduled to hold a meeting by the end of June is Moscow. At that time, new agreements may be signed or the date for a new round of negotiations may be established.

The negotiations opened on 17 January and ended on 23 January.

BRIEFS

1984 TREASURY DEFICIT -- Buenos Aires, 14 Jan (NA) -- The treasury had a deficit of 299.8 trillion pesos during 1984, which represents a 40 percent decrease compared to 1983. This information was provided by the Finance Secretariat when it disseminated a report drawn up the treasury in December. Although it is not mentioned in the report, the deficit reportedly totals 9.2 percent of the gross domestic product. [Text] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 14 Jan 85 PY]

EXPORTS TO GUINEA -- Buenos Aires, 14 Jan (TELAM) -- During a meeting with Guinea Water and Forestry Secretary Riani Diallo and other Guinea and Argentine Government officials, President Raul Alfonsin today analyzed some aspects of the $10-million credit that Argentina has granted to Guinea for the purchase of Argentine-made products, paricularly capital goods. [Summary] [Buenos Aires TELAM in Spanish 2317 GMT 14 Jan 85 PY]

INTERIOR MINISTER GUARANTEES JUNE ELECTIONS

PY232145 La Paz Radio Illimani Network in Spanish 1700 GMT 23 Jan 85

[Text] The constitutional government today guaranteed the general elections scheduled for 16 June. Interior Minister Federico Alvarez Plata pointed out that this is based on the fact that the country has fully recovered its political tranquillity even though, he said, it is possible that those who kidnapped the president may continue to conspire against constitutional order.

The minister's statement is a repetition of what he said yesterday. He also referred to the disappearance of the five former Bolivian military officers living in Spain. The minister added that the political tensions of late 1984 have practically disappeared during the first month of this year during which attempted coups have been made. He added that these events were not even perceived by the people in general and that they were only made known after they were put down by the Interior Ministry.

He went on to say that the political tranquillity was strengthened last night with the installation of the new electoral court, which is made up of representatives of the executive, judicial, and legislative branches. The political parties are also represented in the electoral court, which is going to conduct the elections with complete impartiality.

Interior Minister Federico Alvarez Plata said that the conspirators will continue to make plans but that their presence will not be important because the general elections will be held according to the government's plans.

EXILED COLONEL REPORTEDLY BACK IN COUNTRY

PY241452 La Paz Cadena Panamericana in Spanish 1130 GMT 24 Jan 85

[Text] One of the officers responsible for the abduction of President Siles on 30 June 1984 has been in Oruro and Potosi. It is presumed that he is currently in La Paz. According to a report from Oruro, it is former police chief, Colonel German Linares, and he has contacted some of his high-ranking colleagues. Here is our correspondent's report from Oruro:

[Begin recording] Reliable sources confirmed by myself today reported that Lieutenant Colonel German Linares Iturralde, who should be in exile in Albacete, Spain, following his involvement in the abduction of President Siles, was in Oruro on 17 and 18 January. From there he went to Potosi and then returned to Oruro. It is thought that he is currently in La Paz.

My sources say that Col Linares held talks with high-ranking police officers on 17 January the day the interior minister announced the discovery of a subversive coup plan in Cochabamba and Santa Cruz. However, Oruro police authorities and the departmental prefecture have not made any comment on the matter. [end recording]

BANZER NAMED CANDIDATE; ADN OFFICE DYNAMITED

PY202322 Madrid EFE in Spanish 1824 GMT 20 Jan 85

[Excerpts] La Paz, 20 Jan (EFE) -- The beginning of the Bolivian electoral campaign, which was opened with the proclamation of General Hugo Banzer Suarez as the presidential candidate of the Nationalist Democratic Action (ADN) party, was accompanied by a dynamite attack in La Paz. While approximately 2,000 ADN members and sympathizers were last night euphorically celebrating the proclamation of former President Banzer (1971-1978) as presidential candidate and of Eudoro Galindo as vice presidential candidate in a La Paz movie theater, a dynamite explosion destroyed the ADN's electoral campaign headquarters.

Eudoro Galindo today blamed the attack on extreme leftist groups that are seeking to prevent the elections slated for 16 June. Galindo also gave the government 48 hours to prove its interest in finding the perpetrators of the attack. The attack caused heavy damage, but no victims, because all the ADN members were participating in the congress.

President Herman Siles Zuazo last night visited the ADN's offices on Abaroa Square, which is located in front of the heavily guarded residence of the U.S. ambassador, to express his distress over this act of political violence, Radio Panamericana today reported.

During the ADN congress, which was held in an atmosphere of elation and optimism over the proclamation, the former dictator gave assurances that he will transform Bolivian society by implementing a social market-directed economy [economia social de mercado]. He also emphasized the need for an agricultural revolution to turn the peasant workers into the owners of their land rather than into proletarians.

NEVES DENIES RUMORS ABOUT CABINET SELECTION

PY230255 Brasilia Domestic Service in Portuguese 2200 GMT 22 Jan 85

[Excerpt] President-elect Tancredo Neves today denied in Barra do Garcas, Mato Crosso State, that he has already chosen the members of his cabinet.

During an interview and after being named honorary citizen of that city and having taken part in a public meeting, Tancredo Neves asserted that no one has been chosen, neither for the military nor the economic field. He explained that the names of the members of his cabinet will only be disclosed a few days before his inauguration next March.

Leaves for Europe

PY240200 Brasilia Domestic Service in Portuguese 2200 GMT 23 Jan 85

[Excerpt] President-elect Tancredo Neves left Brasilia this afternoon, heading for Rio de Janeiro where at 2200 he will take a plane for Rome, thus starting a 2-week trip abroad.

As he arrived in Rio de Janeiro, Neves said: [Begin recording] I have not chosen any minister nor have I invited anyone to be a minister. All the possibilities being reported in the press are baseless. I do not endorse these speculations. [end recording]

In Rome, the president-elect will be received by Pope John Paul II in the Vatican, then by Italian President Sandro Pertini, and finally by Prime Minister Bettino Craxi. On 28 January, Tancredo Neves will arrive in Portugal to meet with President Ramalho Eanes, and Prime Minister Mario Soares. In Washington, where he will arrive on 31 January, Neves will be received by President Ronald Reagan and Vice President George Bush. In February he goes to Mexico to meet with President Miguel de la Madrid. On 5 February, he will head for Buenos Aires where he will be received by President Raul Alfonsin.

The trip will end on 7 February when the president-elect will return to Brasilia.

PRESIDENT-ELECT DISCUSSES COUNTRY'S FUTURE

PM181645 Barcelona LA VANGUARDIA in Spanish 15 Jan 85 p 4

[Joaquim Ibartz dispatch: "Tancredo Neves Deems It Priority To Consolidate Democracy and Resolve Country's Economic Chaos"]

[Excerpts] Brasilia -- "There will be no coup in Brazil, because the military have involved themselves in this process of democratization. I will be no Alfonsin, seeking responsibility in the military leadership, because our two countries' processes are very different. The first thing that must be done is to consolidate democracy and resolve the economic chaos which the country is experiencing, with millions of people living in poverty. We must be magnanimous and look not backward but forward. It would be very dangerous to seek to put the military on trial, because in Brazil they are handing over power in a peaceful and orderly manner, without having suffered a military defeat, as in Argentina," stated opposition Democratic Alliance candidate Tancredo Neves, who will be proclaimed constitutional president of Brazil today.

"My interest is in defining stances, not in proclaiming anticipated triumphs.

"But I confess that at this moment I feel overwhelmed by the burden of the hope which 130 million Brazilians have pinned on the man who will take over the presidency 15 March."

"My most ambitious aim is to preside over a great agreement for Brazil's transformation into a country of restored dignity and honor. If I achieve this, we will have finally eliminated the taint of the authoritarianism of the past few years," stated Neves, a statesman of liberal and democratic convictions who has devoted virtually the whole of his life to political activity. "It is my candidacy which truly represents the Brazilian people. We are still wearing the rags of the long night of authoritarianism, filled with fear, but we devote ourselves to the struggle in the hope of a Brazil developed in democracy, with a better distribution of wealth, and without uncontrolled expansionism, which has always been the most genuine banner of the oppressed against the oppressors."

He smiled when asked about the Brazilian foreign debt of almost $120 billion; it does not frighten or intimidate him: "The Brazilian social situation frightens us all," he stated, "but it must be tackled. As far as our foreign debt is concerned, the creditors have used our dreams of grandeur and increased their restrictions on our development. The floating of interest rates should be viewed as an expedient whereby the creditors seek to tackle their problems by creating even more problems for us."

Neves maintained that in order to tackle the Third World's largest foreign debt he will suggest to the international banks a form of repayment based on an annual percentage of exports. "We cannot encumber the nation any more in order to repay the debt incurred by irresponsible governments." He stressed that his commitment will be to guarantee fully Brazil's sovereignty when the forms of repayment of the foreign debt are discussed.

A fierce critic of the Figueiredo government's economic policy, Neves explained that "only fools could believe in the success of a recessive economic policy to combat inflation. The outcome is obvious in Brazil, where the recession has led to mass unemployment and the intensification of social destitution without curbing inflation at all."

His view is comprehensive, with contributions from the whole of society: "In countries like ours, the precess of controlling inflation requires coordinated action by the whole of society, in which everybody will take part for the rapid creation of new jobs." When asked for his opinion about his defeated opponent, Paulo Maluf, who has conducted a very dirty election campaign and who attempted to secure the presidency through bribery, Neves stated: "Maluf would not be the right man to govern. I am certain that he would plunge the country into a process of political agitation because he would seek to establish a government divorced from the country and the people. He has no ability, desire, or wish to carry out changes; he is opposed to any transformation." He also pointed out that "there is no strong economy with weak trade unions. The workers' organizations must be given autonomy of action to enable Brazil to be rebuilt. There can be no social peace without trade union freedom."

As a veteran lawyer and jurist, a former senator and deputy, Getulio Vargas' minister of justice when he was only 35 years of age, and Goulart's prime minister, Neves speaks with the experience of a whole life devoted to politics: "In order to triumph finally over authoritarianism, the transition to democracy will have to be built on the basis of legality. In this respect we will follow closely what was done in Spain to dismantle the authoritarian system of Francoism without traumas or revenge.

So far, the Constitution imposed by the military regime has been a worthless paper, used in accordance with the convenience of minority groups which usurped legitimate power through the use of force."

"The Constitution imposed by the military regime is null and void because it lacked full legitimacy. In my inauguration speech I will propose the summoning of a constitutional assembly to draft urgently a new constitution. We must secure a constitution which will restore the Republic and the federation to us and which will commit us to our future and not tie down society, as at present."

The Constitution in force in Brazil was drafted and imposed on the country in 1969 by means of a vote by the spurious electoral college, which was very similar to Franco's Organic Cortes, without submitting it to the citizens' approval. Neves opposed Goulart's overthrow by the Armed Forces in 1964, and maintained a distant and critical attitude toward the military regime. However, he stresses that he will not take over the presidency in a spirit of revenge, because this is neither his way of acting nor in the country's interest, because it would jeopardize the restoration of democracy.

"One of my greatest sources of satisfaction is to have found that the Brazilian people identify deeply with democracy. The 20 years of military dictatorship have not affected the love of freedom of a people who largely remain illiterate and go hungry," Neves asserted.

"The campaign for direct elections was exemplary, and although the electoral college's approval was not achieved, it was the decisive cause of my victory this Tuesday. I owe the presidency to the Brazilian people and to them alone. By going onto the streets demanding democracy, they showed the military regime that freedom could not be curbed with bayonets," Neves stressed in the same connection. He also pointed out his opposition to the militarization of civil society, but noted: "The Armed Forces have an important role to play, since on various occasions they have been the country's great national binding force."

"Brazil feels calm today because it trusts in its Army's gradual professionalization. I am convinced that the military are returning to their barracks as a token of peace and of the country's integration, as they have done on other occasions. Henceforth, it rests with the civilians to organize a new country in which everyone, including the military, will take part."

GOVERNMENT HOPES TO RENEGOTIATE PARIS CLUB DEBT

PY171805 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Jan 85 p 37

[Text] During the last week of January, Brazil is going to propose to the Paris Club the renegotiation of the $8 billion that will gradually fall due over the next few years. Next week, Finance Minister Ernane Galveas should confirm his trip to Paris, from where he will travel to Switzerland and then to Santo Domingo in early February where he will take part in a meeting of Latin American debtor countries.

Yesterday, Tarcisio Marciano da Rocha, head of the Finance Ministry's Department for International Affairs, asserted that the first agreement with the Paris Club, which was signed last year, is almost ready. However, he said there are still a few "operational details" to be arranged with a few countries, such as the United States, which happens to be Brazil's main creditor. At the end of the month, Brazil will sign a bilateral agreement with Norway for the renegotiation of a $3-million debt.

Brazil also is still involving some problems with Canada since the EDC [expansion unknown], the financing and export insurance agency, has endorsed an operation carried our by the Federal Railway Network for the purchase of equipment from the Bobardieur Enterprise. There are some problems in the payment of $23 million owed that are now going through the final stages of a new renegotiation. Tarcisio Marciano da Rocha denied that the railway network refused to pay Bombardieur, alleging that the equipment ordered had not been manufactured in compliance with specifications.

Galveas' trip to Paris in 2 weeks has not yet been set because it is subject to the confirmation of a Paris Club meeting with all its members, about 18 countries, so that Brazil can propose a new rescheduling of the debts that will fall due over the next few years.

From Paris, Galveas will go to Davos, Switzerland, where he will take part in an annual meeting of world economic leaders. The meeting, which starts on 30 January and ends on 7 February, will consider matters related to international trade, finance, fiscal, and monetary issues. All these subjects cooperation.

GOVERNMENT FORCED TO IMPORT GRAIN IN 1985

PY230250 Brasilia Domestic Service in Portuguese 2200 GMT 22 Jan 85

[Excerpt] During an interview granted in Brasilia today Helio Tollini, Agriculture Ministry coordinator for economic affairs, said that he believes that the government will not have the necessary resources to market the 1985 harvest. According to Tollini, Brazil this year will still have to import foods such as rice and corn to guarantee supply and maintain control over consumer prices.

AMARAL PEIXOTO ASSUMES PDS LEADERSHIP

PY231648 Sao Paulo Radio Bandeirantes in Portuguese 1550 GMT 23 Jan 85

[Text] Amaral Peixoto, at 79, will assume the presidency of the Social Democratic Party, PDS, which was once the largest Western political party. One of the first objectives for which Peixoto will struggle is the convocation of a national party convention aimed at the reunification of the party. However, Maluf followers do not agree with this initiative, which shows that the pacification of what is left of the PDS will not be an easy task.

PDC MEMBERS DETAINED IN SANTIAGO DEMONSTRATIONS

PY231920 Madrid EFE in Spanish 0334 GMT 23 Jan 85

[Text] Santiago, Chile, 22 Jan (EFE) -- At least eight persons were arrested near the Santiago metropolitan cathedral building after a mass held to commemorate the third anniversary of the death of former Chilean President Educardo Frei.

According to Christian Democratic Party [PDC] sources, the Carabineros who were guarding the areas near the cathedral detained at least eight PDC members who have not been identified.

After the mass, PDC groups shouted slogans against the government and were disrupted by Carabineros forces with special antiriot equipment.

In view of this, the majority of those who attended the ceremony sought refuge in the cathedral until priests and Cardinal Raul Silva Henriquez [as received], who held the commemorative mass, talked with the Carabineros and an agreement was achieved.

Later, small groups continued to hold demonstrations near the metropolitan cathedral and were repressed by police forces.

There has been no official report about this incident but it is expected that the acting government secretary general will comment on it on 23 January.

CURFEW HOURS REDUCED IN VALPARAISO, EASTER ISLAND

PY230245 Santiago Domestic Service in Spanish 2200 GMT 22 Jan 85

[Text] According to Edict No 13 the curfew hours in Valparaiso Province and Easter Island have been reduced. The curfew will now be in effect from 0300 to 0500 on working and nonworking days. The edict is aimed at complying with the request made by tourism, hotel, commercial, and show business sectors in this area, which is mainly recreational.

MANAGER OF OPPOSITON WEEKLY CAUCE ARRESTED

PY222340 Madrid EFE in Spanish 2009 GMT 22 Jan 85

[Text] Santiago, 22 Jan (EFE) -- Hernan Cardemil, administrative manager of the opposition weekly CAUCE, was arrested today by police officers who raided the offices of the magazine.

According to CAUCE journalists, seven plainclothesmen who showed no credentials or warrants raided the offices, seized copies of the book "Laberinto" ["Maze"] and arrested the manager of ths corporation.

"Laberinto" is an account of police and court proceedings which followed the attack during which Orlando Letelier, foreign minister of President Salvador Allende's administration, was killed. The account was written by Eugene N. Propper, the state prosecutor who handled the case, and journalist Taylor Branch. CAUCE is one of the six publications suspended after the state of siege was levied on 6 November; the others are ANALISIS, APSI, FORTIN MAPOCHO, LA BICICLETA and PLUMA Y PINCE.

Petition Leads to Release

PY231928 Madrid EFE in Spanish 0341 GMT 23 Jan 85

[Text] Santiago de Chile, 22 Jan (EFE) -- Hernan Cardemil, manager of the opposition weekly CAUCE, who had been arrested during the raid of the publishing house which printed a book on the assassination of Orlando Letelier, was released late last night.

During the raid, police confiscated 2,230 copies of the book "Laberinto," which narrates the history of the police investigation and court case carried out after the attack in Washington against former Chilean foreign minister during the Salvador Allende government. The book was published by the Pensamiento Publishing House where Cardemil works as an executive, according to Gonzalo Figueroa Yanez, president of the society that owns CAUCE and the publishing house.

Figueroa added that he and lawyer Jorge Ovalle had submitted a court petition in favor of Hernan Cardemil.

ECONOMY MINISTER ON UNEMPLOYMENT, COPPER PRICES

PY190257 Santiago Domestic Service in Spanish 2200 GMT 18 Jan 85

[Excerpt] The year has begun with a good omen. The general rate of unemployment has dropped to 12 percent in 9 of the 13 regions of the country. These are two of the most important announcements made by Economy Minister Modesto Collados today.

Collados began by explaining that today started off well, with a slight but significant improvement in copper prices.

[Begin recording] We can say that we have started this day with good news concerning the international parameters which affect us so much. Copper has gone up by 2 points and international interest rates have been on the decline during the past months. They are down by 2 points as compared to [word indistinct]. To give an idea of how important it is for our economy that the interest rates have dropped 2 points, this amount means $300 million for the Chilean foreign debt, that is, an enormous figure when compared with our needs for foreign exchange, if we compare them to our surplus, for example. Last year our surplus was on that order. If copper goes up by 2 points, this is equivalent to $54 million. Thus, although this appears to be only a few cents, these cents are really vital. Therefore we have started 1985 with a good omen. [end recording]

DEL VALLE WILLING TO MEET BOLIVIAN COUNTERPART

PY230246 Santiago Domestic Service in Spanish 2200 GMT 22 Jan 85

[Excerpt] Chilean Foreign Minister Jaime del Valle has said that the Bolivian foreign minister's recent remarks are positive and open the road for future talks. He explained that the recent Bolivian position recognized that the Bogota meeting was to serve as an initial contact. Del Valle also reiterated his willingness to meet with the Bolivian foreign minister in Santo Domingo during the upcoming meeting of Latin American countries on the foreign debt. Del Valle praised the initiative of Colombian Foreign Minister Augusto Ramirez, who said that he would try to get Chile and Bolivia to resume talks on that occasion.

SIX MINISTERS TO QUIT TO RUN FOR CONGRESS

PA232009 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 23 Jan 85

[Text] Six of the 13 ministers of President Belisario Betancur's cabinet will quit their posts so as not to disqualify themselves politically as candidates for Congress.

The anticipated cabinet crisis will occur before the extraordinary sessions of Congress, which were scheduled to begin on 29 January but were postponed by President Betancur.

The ministers who will leave their posts are: Foreign Minister Augusto Ramirez Ocampo, Mines and Energy Minister Alvaro Leyva Duran, Public Works Minister Hernan Be'tz Peralta, Public Health Minister Amaury Garcia Burgos, Justice Minister Enrique Parejo Gonzalez, and Labor Minister Oscar Salazar Chavez. Four of the outgoing ministers are Conservatives: the foreign, mines and energy, public works, and health ministers. Two are Liberals: the labor and justice ministers. The first is of the Galan group and the second of the government group.

Government Minister Jaime Castro will remain in President Betancur's cabinet and will not resign in the upcoming crisis, as had been rumored. The minister told the head of state that if he, as president, does not decide differently, he will continue to serve him as government minister. A similar stance was adopted by the finance, development, communications, agriculture, and education ministers.

CHILE-BOLIVIA MEDIATION EFFORTS TO CONTINUE

PA231711 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 22 Jan 85

[Text] Colombia will unwaveringly continue to mediate between Bolivia and Chile and expects to bring together the representatives of both countries on 7 February in Santo Domingo to establish the basis for negotiations on Bolivia's outlet to the sea. Colombian Foreign Minister Augusto Ramirez Ocampo made this announcement moments before he entered the ordinary council of ministers that is currently under way at Narino Palace.

On the cancellation of the Bogota meeting, slated for 5 and 6 February between the Bolivian and Chilean foreign ministers, the Colombian minister said that the decision is unfortunate because the meeting was recognized as an important step in beginning negotiations. He explained that he hopes to learn in detail the statement by Bolivian Foreign Minister Edgar Camacho, whom he has yet not been able to contact. According to international news agencies, the Bolivian minister said that he was coming to Bogota because Chile was committed to resolving his country's problem, obtaining access to the sea. Bolivia lost its outlet to the sea in a war against Chile during the last century. In Santiago, Chilean Foreign Minister Jaime del Valle explained that conditions were not adequate for the Bogota meeting and canceled his attendance at the meeting promoted by President Belisario Betancur.

In any event, Foreign Minister Ramirez Ocampo said that on 7 February, when representatives of the Latin American countries meet in the Dominican Republic to analyze the foreign debt problem, attempts will be made to hold a meeting between the Chilean and Bolivian ministers to overcome the problems that have obstructed the solution to Bolivia's efforts to obtain passage to the sea.

LIBERALS: GOVERNMENT'S WAGE POLICY INCONSISTENT

PA171822 Bogota Cadena Radial Super in Spanish 0000 GMT 17 Jan 85

[Text] Bogota -- The Liberal Party's National Directorate has described the government policy on wages for 1985 as inconsistent. First, it believes that the policy creates a disparity between the private and official sectors because while the former will receive a 20 percent wage increase the latter will receive a modest 10 percent increase, as if inflation rates were different for each sector.

The directorate argued that this modest adjustment does not benefit state workers earning the lowest wages, as the president of the Republic has claimed, because only 7 percent of the workers will actually enjoy a 13 percent increase.

The Liberal Party's National Directorate also said it would not participate in a proposed commission which would seek ways to cut public expenditures because that is a government initiative and responsibility. The directorate said: Liberals advocate public expenditure cuts as long as they do not adversely affect social interests.

M-19 ACCUSES ARMY OF VIOLATING 7 JAN AGREEMENTS

PA220417 Madrid EFE in Spanish 0251 GMT 22 Jan 85

[Text] Bogota, 21 Jan (EFE) -- The Colombian 19 April Movement [M-19] today reported "new military harassment" against access roads to one of its camps in Los Robles, in the central mountain range in Cauca Department in southern Colombia.

Alvaro Fayad, of the M-19 leadership, told EFE today that "Colombian Army troops are not fulfilling commitments reached during the withdrawal from San Pablo heights."

Fayad explained that "the agreements are being violated because the Army maintains control of the access roads to the new camp after the government promised that the Armed Forces would withdraw from those roads." Fayad said: "The agreements signed with Government Minister Jaime Castro on 7 January for the withdrawal from San Pablo heights guaranteed access to normal mobilization, communications, and supplies for our men, but this is not being complied with."

Meanwhile, Antonio Navarro Wolff, of the M-19's "national dialogue" commission and a member of the group's national leadership, said that "the current situation is truly unstable."

The two guerrilla commanders concurred in stressing to EFE that "soldiers were posted on the nearby roads even before we got to the new camp." They said that they will denounce the situation before the "national dialogue" commission on Wednesday. Fayad and Navarro Wolff said that "they prefer to fight rather than run because the M-19 is not going to retreat in view of the current situation."

The M-19, which has a camp in San Pablo heights north of El Cauca Department, has clashed intermittently with the Army for control of the area for 3 weeks since 12 December 1984.

In view of the seriousness of the situation, President Belisario Betancur intervened directly on 4 January. He appointed a commission to seek a solution to the armed conflict, the most serious since the M-19 signed a truce and cease-fire with the government on 24 August 1984.

On 7 January, the M-19 and President Betancur's representatives, headed by Bernardo Ramirez, former communications minister and currently Colombian ambassador to the United Kingdom, reached an agreement whereby the M-19 would withdraw from its camp.

Fayad and Navarro Wolff, however, said in a telephone conversation with EFE that with these accusations "we see that the agreements and the progress of the national dialogue are being endangered." The two guerrilla leaders also said that with his statements to the press, "Government Minister Jaime Castro is violating the agreements by denying the M-19 vital space and announcing new violations of the truce."

Last week Minister Castro said on a television program that "the government will not allow the formation of 'bunkers' anywhere in its national territory."

Referring to Minister Castro's statements, Navarro Wolff said: "We clearly stated in the agreements that we would continue to dig trenches wherever we went, because that is the only way we can remain on the defensive, and the government is not complying with this point."

OFFICIAL ACCUSES FARC, ELN OF MEDELLIN ATTACKS

PA220750 Bogota EL TIEMPO in Spanish 15 Jan 85 p 2 A

[Text] Medellin, 14 Jan -- Two terrorist groups of the National Liberation Army (ELN), and a dissident commando group of the Revolutionary Armed Forces of Colombia [FARC], attacked a police garrison and the central headquarters of the Administrative Department of Security (DAS) today with bombs and submachine-gun fire, injuring one detective and two civilians and causing damages estimated at 100,000 pesos, an official source has reported.

The attacks on the official installations located in the northern and central part of the city were carried out simultaneously at 0515, said Major Carlos Suarez Vargas, retired, DAS director in Antioquia.

Several officials who have begun investigating the attacks have said that one was carried out in reprisal for the effort that the DAS has made against drug trafficking.

Three unidentified persons machine-gunned the front of the DAS building, hurled two MK2 fragmentation grenades used exclusively by the Army, and fired seven times at 25-year-old detective Wilder Castano Ruiz, who was guarding the main entrance.

Major Suarez Vargas said that the unidentified men were on foot and fired 60 times at the walls of the DAS and several vehicles parked nearby.

"Taking advantage of the darkness and confusion, they escaped in a taxi that waited for them one block away," the official said. He estimated damages at 100,000 pesos, and blamed the "Ricardo Franco" commando group of the FARC for the terrorist action.

Suarez Vargas said that last year the DAS was attacked twice, but added that those attacks were not as sever as this.

In Castilla, a low-income suburb in the northern part of the capital, three men and one woman, also members of the "Ricardo Franco" commando group and the "Ernesto Che Guevara" commando group of the ELN, hurled three homemade bombs at the police garrison and fired at it with submachine guns.

The metropolitan police command reported that the terrorists only managed to detonate one of the three devices on the ground floor, damaging one window, a ceiling, one patrol car, and two automobiles. According to the authorities, the police inspector, one policeman, and four other persons were in the building; two of the latter received slight injuries in the explosion.

In their hasty departure in a "small red" car, the terrorist left behind a "Ricardo Franco" front flag, as well as subversive propaganda.

GUERRILLAS, ANTIOQUIA GOVERNOR SIGN NEW AGREEMENT

PA231656 Bogota EL TIEMPO in Spanish 17 Jan 85 p 2 A

[Text] Medellin -- Antioquia Governor Alberto Vasquez Restrepo today reached an agreement with representatives of the Popular Liberation Army [EPL], the Revolutionary Armed Forces of Colombia [FARC], and the M-19 to ratify the peace agreements signed last year. In compliance with one of the requests made by the guerrillas, he asked the national government to define the term "armed truce" to avoid new clashes between the groups up in arms and the troops. According to Vasquez Restrepo, they also agreed at their meeting that the government would be asked not to carry out special military operations in Antioquia, which might be interpreted as persecution and harassment of the guerrilla groups, unless circumstances make it inevitable.

The representatives of the FARC, the EPL and the M-19 signed an eight-point document. Outstanding among these points is the initiative to create dialogue and verification commissions for the territory of Antioquia. It was also agreed that several special commissions would be created to prevent potential armed clashes like the one in Corinto. These commissions will be empowered to travel to areas of tension or wherever armed groups show up. In addition, Governor Vasquez Restrepo promised to grant full guarantees and freedoms to the leaders of these groups so they may freely exercise their political activites. He also offered the government's full support for whatever investigations are needed to clear up all real or alleged violations of the peace agreements.

M-19 MEMBERS RELOCATE IN MIRANDA'S LAS DANTAS

PA231849 Bogota EL TIEMPO in Spanish 17 Jan 85 p 2 A

[By Carlos Campos]

[Text] Popayan, 16 Jan -- The M-19 group which was allowed to leave Corinto Municipality through a "security corridor" as a result of the peace agreement began receiving supplies yesterday. "Las Dantas," Miranda municipality, in the central mountain range area is the new headquarters of the M-19 members.

A shipment of produce, which was purchased in Corinto for more than half a million pesos, was delivered by an official truck requested by government ministry official Hernan Villamarin Gutierrez from Corinto Mayor Narciso Norena. The truck driver was identified as Fernando Castano. He said that the supplies went through four military posts, where they were carefully inspected. According to our sources, the shipment was sent yesterday. It was also learned that the area is under strict military control.

STROESSNER RETURNS FROM VACATION IN BRAZIL

PY211110 Asuncion HOY in Spanish 21 Jan 85 p 11

[Excerpt] After spending 4 days of "observation and rest" on the Atlantic coast in Parana State, Brazil, President Alfredo Stroessner returned to Asuncion yesterday. He will resume his official duties today.

Views Neves' Election

PY212100 Asuncion Radio Primero de Marzo in Spanish 1931 GMT 21 Jan 85

[Recording of an interview with President Alfredo Stroessner by an unidentified reporter of O Globo Television Network of Rio de Janeiro in Guaratuba, Brazil, "a few days ago"]

[Text] [Reporter] President Stroessner came to Brazil accompanied by his defense minister, five generals, two colonels, one captain, some friends, and many security agents. They are staying at a mansion that belongs to a Paraguayan colonel that is located on the Garuva Highway at the Guaratuba exit. They chose this place for security reasons; six officers guard the main gate day and night while another group guards the beach a few meters behind the house. During his stay here in Guaratuba, the president wakes up at 0500 morning and takes a long walk along the beach. After that he rests or takes a boat and goes fishing. This visit is not official, but Governor Jose Riche, who was here in Guaratuba, went to visit the president.

Mr President, could you give us your impressions on the election of President Tancredo Neves?

[Stroessner] I think that everything developed normally according to schedule. The commentaries reveal that everything has ended positively, that democratic order has been restored in Brazil. As a friend of Brazil, we are very satisfied. We hope that this atmosphere of great friendship between our two countries will continue along the same path.

[Reporter] So you already know President Tancredo Neves?

[Stroessner] I know him very well. I have known him for some time. I am aware of his way of thinking, and we fully agree with him.

[Reporter] You have been elected president five times. Do you intend to hold the post again?

[Stroessner] Well, that is something you should ask the people. It is not something for me to decide; it is the people's prerogative and will continue to be so. Right now I am concerned with the current government tasks, and there is much to do. The government is doing a lot and has a lot to do ahead.

Discusses Democratization Process

PY222345 Madrid EFE in Spanish 1934 GMT 21 Jan 85

[Text] Curitiba, Brazil, 21 Jan (EFE) -- Paraguayan President General Alfredo Stroessner has stated that there is no reason why the Brazilian democratization will influence his country since Paraguay has always been democratic.

Stroessner, who classified Brazilian President-elect Tancredo Neves as a good man, has been enjoying a short vacation since 17 January at the beach at Brejatuba, some 150 km from the capital of Parana State, along with a 56-member entourage. In statements to the magazine VEJA on the Brazilian presidential election, the Paraguayan president said that he does not see any reason for the Brazilian democratization to eventually influence the Paraguayan modus vivendi. Paraguay has always been democratic. We always held free and direct elections, Stroessner, who has been in power for over 30 years, stated. Gen Stroessner is staying at the mansion owned by Colonel Francisco Duarte, the president of the National Administration of Telecommunications. Gen Stroessner's movements are guarded by Paraguayan bodyguards and by 10 soldiers of the Parana military police dressed in plainclothes. Stroessner's entourage is lodged in nearby private homes. VEJA reports that this is not the first time that Stroessner has come to this place where he is known and greeted on the streets and where a square was dedicated to him in 1980.

BOLIVIAN GENERAL GUZMAN FRICKE GRANTED ASYLUM

PY231627 Asuncion Teledifusora Paraguaya Television in Spanish 1500 GMT 23 Jan 85

[Excerpt] Paraguayan Foreign Minister Carlos Augusto Saldivar has announced that the Paraguayan Government has granted political asylum to General Ernesto Guzman Fricke, who has taken refuge at the Paraguayan Embassy in La Paz.

INTERIOR MINISTER DISCUSSES CONFISCATED CHEMICALS

PY232040 Asuncion Radio Primero de Marzo in Spanish 1445 GMT 23 Jan 85

[Text] In statements to AFP, Interior Minister Sabino Augusto Montanaro referred to the situation of the confiscated chemcial products being held in the facilities of the National Institute of Technology. The minister said that there has been no pressure from the U.S. Government over these chemicals. He went on to say that there is permanent contact with the U.S. Embassy in Paraguay because the U.S. mission has requested that experts be allowed to check the chemicals. Montanaro also explained that the chemicals were not shipped to our country for industrial use, but instead presumably for the industrialization or crystallization of cocaine. The interior minister added that Custom House Resolution No 263 in Article 3 says that the confiscated chemicals can be destroyed after the administrative procedures have concluded. However, the minister said, this case was submitted to the courts to determine who is responsible for the shipment of the chemicals directly to our country. It has been learned that a person named (Billy) Gonzalez, to whom the shipment is consigned, has declared himself as the owner of the chemicals. He added that there are legal proceedings in the courts as a result of the situation created by this shipment and that a legal edict has been issued for 90 days to find out who the owner of the shipment is. The minister then explained that the court will decide whether the chemicals will be destroyed or shipped back to the country of origin. In conclusion, Minister Montanaro told AFP that there is no cooling of relations between the Paraguayan and U.S. Governments as a result of the chemicals confiscated here. According to the latest unofficial reports, the final destination of the chemicals, used to refine drugs, will be decided upon by judicial officials in Ciudad President Stroessner who are carrying out an investigation. According to reports, the state prosecutor has begun an inquiry to determine whether the chemicals are really for refining dangerous drugs and what type of drugs can be obtained from them. This inquiry was made to the Narcotics Division of the Interior Ministry which will have to give an answer. A judge will then have to decide on the destination of the chemicals. There have been all kinds of speculation about whether to destroy them or use them for other purposes such as in the medical field.

BELAUNDE ON TRANSFER OF POWER, CABINET CHANGES

PY191357 Lima Television Service in Spanish 0030 GMT 19 Jan 85

[Excerpts] The 450th anniversary of Lima's founding was celebrated yeaterday. In the morning, President Fernando Belaunde and all the members of his cabinet attended a te deim celebrated by Cardinal (Andatri) in the cathedral. Mayor Alfonso Barrantes Lingan and foreign dignitaries also attended the mass.

The main anniversary ceremony was held in the city hall and was presided oner by Mayor Alfonso Barrantes Lingan.

In referring to Lima's 450th anniversary, President Belaunde made an appeal to save the city from the problems that plague it such as the dirt, overcrowding, and untidiness.

[Begin recording] [Belaunde] We will have a new Congress on 14 April, and we will then know who are its leaders and members and, as a consequence, there will be officials to talk to. We must discuss the future, and I hope that the transfer of power will be carried out in an orderly manner, because if it is not, the people will be the only victims and it will only increase poverty and anguish. My ministers are determined to gradually hand over the government and help our successors so that the people do not suffer.

[Reporter] How will this coordination be carried out, Mr President?

[Belaunde] Well, once we know who the new government authorities are, we will meet with them and give them all the information they require. That will be a very happy day.

[Reporter] Mr President, the [word indistinct] minister has expressed his desire to resign. Does this mean that there will be a small readjustment before March?

[Belaunde] We had thought of that, but I would deeply regret his resignation since he is a minister who I deeply appreciate as I do all the others. He is very capable and has a great desire to serve. I hope he will be able to accompany me until the end of my term in office.

[Reporter] How many changes do you intend to make before March?

[Belaunde] No more than two, I hope.

[Reporter] What other ministers will be replaced?

[Belaunde] Well, we do not know yet. There are some who have personal problems but I hope most of them will accompany me, especially the team presided over....

[Reporter interrupts] Will this be the last adjustment?

[Belaunde] Yes, it will be the last one. Thank you very much.

[Reporter] Thank you very much, Mr President. [end recording]

SANGUINETTI TO VISIT ARGENTINA, VENEZUELA

PY190235 Montevideo Radio Carve in Spanish 0000 GMT 19 Jan 85

[Excerpt] Dr Julio Maria Sanguinetti will travel to Argentina and Venezuela before his inauguration. Spokesmen for the president-elect have reported that the two trips, which will be separate, will take place during the first half of February. They added that the date of the trips and Dr Sanguinetti's agenda of activities in Buenos Aires and Caracas will be disclosed in the next few days.

BLANCOS NOT TO TAKE MINISTERIAL POSITIONS

PY221700 Montevideo Radio Carve in Spanish 0000 GMT 22 Jan 85

[Excerpts] Definitely no National Party members will participate as ministers in President Sanguinetti's cabinet, Wilson Ferreira Aldunate told Radio Carve this evening after taking part in a meeting of the National Party Congress bloc and its Executive Board, headed by Professor Juan Pivel Devoto, at National Party headquarters.

Among other things, Wilson Ferreira Aldunate reported that during this meeting he was chosen as the only authorized person to speak on behalf of the National Party with President-elect Julio Maria Sanguinetti.

[Begin recording] [Reporter] Mr Wilson Ferreira Aldunate, there were great expectations concerning this meeting. What were the main issues discussed, and what agreements were reached within the National Party?

[Ferreira] Well, as usual we did not discuss the issues that have raised such great expectations. People always expect misunderstandings and divisions at this kind of meeting. However, today the Executive Board and Congress bloc members agreed on how relations between the National Party and the elected government will be conducted. We have definitely agreed on this so that it will benefit the whole country, because Uruguay needs consistent and homogeneous political forces.

The country needs a national agreement that will help the government in its tasks, and the National Party has repeatedly promised to contribute to this.

[Reporter] What does being the only authorized person to speak with the government mean?

[Ferreira] The party Executive Board has decided to entrust me with this task, but of course this is not rigid, it is part of political life, and the party has honored me by choosing me, so I will try to do the best I can.

The National Party does not favor coparticipation with opposition members assuming ministerial posts. We believe that we will better serve the country by trying to dignify the tasks of the opposition. This must be done in a sensible and patriotic way, as well as with the permanent intention to not create difficulties for the government, and as long as the people are properly informed about the problems. [end recording]

'AUSTERE' FEDERAL BUDGET TO REDUCE INFLATION

PA230024 Mexico City EL DIA in Spanish 21 Jan 85 p 10

[Text] The Planning and Budget Secretariat reported today on how the federation's budget of expenditures will be handled and spent this year. This document, which is being published in the most important newspapers and magazines in the country, confirms that the budget of expenditures is one of the most important instruments of the National Democratic Planning System in its efforts to combat the crisis and stimulate development.

The 18,390-billion peso budget is basically to continue the struggle against inflation, and to cut inflation by 35 percent in order to improve the purchasing power of salaries; to promote the growth of national production to between 3 and 4 percent of real growth; to reduce the financial deficit to 5.1 percent; and to increase permanent and temporary jobs on a regional level by some 850,000.

Likewise, the budget program acknowledges the advances made by economic restructuring and the need to complete and consolidate this restructuring.

The restructuring of the budget mainly supports the programs of social development in the areas of health, education, culture, nourishment, supply, and housing.

The federation's budget of expenditures is austere but makes possible, it is said, the fulfillment of economic policy objectives and the strengthening of their social content through a structural reform of public spending. This reform widens the margins demanded by social spending and public investments, changing their emphasis and gradually reducing the budget's rigidity.

PEMEX DIRECTOR DENIES ECONOMY DEPENDS ON OIL

FL231912 Mexico City NOTIMEX in Spanish 1530 GMT 23 Jan 85

[Text] Mexico City, 23 Jan (NOTIMEX) -- After pointing out that a sharp adjustment in the oil market would destabilize the international financial system, PEMEX Director Ramon Beteta denied that the domestic economy depends on this product.

During a meeting with a British mission headed by George Jellicoe, president of the British Council of Foreign Trade, the Mexican official handed him a list of areas that they could participate by making coinvestments and explained PEMEX' importance in the domestic economy.

Beteta said the industry generates 95 percent of the country's required energy, contributes 75 percent of foreign currency, and provides 50 percent of the state's income through taxes. He said the Mexican economy is not petrolized because this product only represents between 8 and 9 percent of the gross national product.

Referring to the oil market, he said a sharp adjustment would damage not only producing countries but buying countries as well, because the payment capabilities of producing countries would decrease.

He said Mexico wants to contribute to the market's stability but that it would seek a lowering in the price of heavy crude if there were a drop in the light crude price.

The British businessmen expressed their confidence in the Mexican economy and stressed the country's political stability as a favorable factor in coinvestment projects.

PEMEX ANNOUNCES OCEAN PETROLEUM DISCOVERY

FL220250 Mexico City NOTIMEX in Spanish 1912 GMT 21 Jan 85

[Text] Mexico City, 21 Jan (NOTIMEX) -- PEMEX's subdepartment of primary production has announced that for the first time Mexico will commercially exploit an ocean petroleum deposit located deeper than 4,500 meters.

PEMEX reported that they were successful in the exploratory well Batab 1, located 70 km from Ciudad del Carmen, Campeche State, and 14 km from Abkatun camp, in southeastern Mexico. [as received]

According to tests, the oil has a grade of 33 API, similar in quality to Mexican ithmus light crude of 32 API.

PEMEX reported that in the drilling, a deposit known as (palooceno) was discovered at 3,752 meters and that work continued until reaching the deposit.

The company added that this was the first time a commercially exploitable deposit had been discovered, and that it will bring a savings of 3 billion pesos (more than $14 million).

GUATEMALAN REFUGEES REFUSE RELOCATION ATTEMPTS

FL222026 Mexico City NOTIMEX in Spanish 1507 GMT 22 Jan 85

[Excerpt] Campeche, Mexico, 22 Jan (NOTIMEX) -- Nearly 30,000 Guatemalan refugees living in the State of Chiapas, 3 km from the southern border with Guatemala, have refused to be relocated to refugee camps built for them in the States of Campeche and Quintana Roo, in southeastern Mexico.

The Mexican Institute of Social Security's evaluation chief for the marginal areas program Antonio Mora Centeno added that their refusal is due to misinformation and fear that there will not be enough food, medical services, or agriculture support.

He said the refugees in Chiapas also work near the camp, which is another reason for their refusal to move.

Mora Centeno said that this week Secretary of Interior Manuel Bartlett Diaz will visit Chiapas on an awareness-building campaign among the Guatemalans so that they will immigrate from that area, which continues to be a risk for them.

COLEPAZ SUPPORTS JOINT U.S. MILITARY EXERCISES

PA210435 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Jan 85 pp A 1, A 8

[Text] The Committee of Loyalty for Peace (Colepaz) has issued a resolution supporting the executive branch and the Panamanian Defense Forces in the joint civic-military exercises.

The resolution is signed by the director and noted members of the Colepaz who have declared the committee on a state of alert and on a permanent vigil for any subversive act or intent to destabilize the powers established in the national Constitution. The following is the text of the resolution:

The Committee of Loyalty for Peace

Whereas:

1. The joint military exercises of the Defenses Forces of Panama and the United States to be held in the Azuero region permit a better technical preparation of our forces, which will assume full defense of the canal in the year 2000;

2. These joint exercises are included in the Torrijos-Carter treaties which were approved by the Panamanian people in a plebiscite;

3. For the first time in the history of our bilateral relations with the United States, such important exercises will be headed by a ranking Panamanian officer, giving prestige to the country and its Defense Forces;

4. The Panama Canal is not only defensible at the installation sites, but its strategic security involves the entire Republic.

Resolves:

1. To support the executive branch and the Defense Forces of Panama in these joint civic-military exercises;

2. To denounce extremist groups of any tendency who, under the pretext of defending our sovereignty, try to undermine the internal security of the Panamanian state; and

3. To declare this committee on a state of alert and maintain a permanent vigil against any subversive act or intent to destabilize the powers established in the national Constitution.

Issued in the city of Panama on 17 January 1985

[Signed] Dr Roberto Velasquez Arango, president; Mercedes Alfaro de Lopez, secretary; Boris Moreno, secretary of press and publicity; Fernando Arias Chiari, member; Jack Cardoze, vice president; Pedro Rueda, treasurer; Roberto Abrego T., secretary of legal affairs; Lisbeth Malca, member; Colombia de Diaz, assistant treasurer; Alberto Boyd, director; Humberto Lopez Tirone, coordinating director; Maria de Lourdes Gomez-Tomas, member; Otto Quijano, member; Antonio Alessandria, director; Teodoro E. Navas T., member; Luis Gaspar Suarez, coordinating director; Maria Luis G. de Lindo, assistant secretary of legal affairs; Absinar Cajar, director; Carlos R. Bryan T., member; Darien Ayala, director; Jose A. Tribaldos P., director; Raul Reinier Vergara C., member

EC, AREA FOREIGN MINISTERS TO HOLD SUMMIT

FL182218 Mexico City NOTIMEX in Spanish 1933 GMT 17 Jan 85

[Excerpt] Tegucigalpa, 17 Jan (NOTIMEX) -- The holding of a summit meeting of the foreign ministers of the European Economic Community and those of Central America was announced today by Gianmario Urbina, Italy's ambassador to Honduras. The purpose of the meeting will be to continue studying new forms of cooperation for the region, the ambassador said. The Italian ambassador also reported that the EC would approve $28 million in aid for Central America. He said this economic cooperation would be channeled through the Central American Bank of Economic Integration and would be used to aid medium- and small-sized industry.

BELIZE

'INFORMAL' TALKS WITH GUATEMALA TO BEGIN IN FEB

FL240218 Belize City Domestic Service in English 0100 GMT 24 Jan 85

[Text] The Ministry of Foreign Affairs has announced that informal discussions will be held in New York on 12 February 1985 between representatives of Belize and Guatemala in an attempt to search for a solution to the Guatemalan claim to Belize. Representatives of the United Kingdom Government will attend the discussions as observers. The talks are exploratory and will not be held at the ministerial level. The Belize delegation will be led by Mr Robert Leslie, ambassador extraordinary and plenipotentiary, and will include Professor Edward (Mann) Jr, special adviser to the minister of foreign affairs.

ESQUIVEL, LINDO TRAVEL TO HOUSTON 23 JAN

FL231610 Belize City Domestic Service in English 1300 GMT 23 Jan 85

[Text] As part of an investment promotion effort being developed by government, the prime minister, Mr Manuel Esquivel, and the minister of natural resources, Mr Dean Lindo, are scheduled to travel to Houston today. They will be meeting with investors interested in developing business ventures in Belize during their 2-day visit. Mr Esquivel and Mr Lindo have been invited to Houston by that city's Chamber of Commerce. Also forming part of the Belize delegation to Houston is Mr (Kent McField), an officer of the Belize Chamber of Commerce.

TWO RESIGN FROM PUP, CHARGE COMMUNIST PLOT

FL221718 Bridgetown CANA in English 1655 GMT 22 Jan 85

[By Norris Hall]

[Text] Belmopan, Belize, Jan 22, CANA -- Two former ministers and top-ranking members of the opposition People's United Party (PUP) in Belize have resigned charging there is a communist plot to take over the party and the country. The resignations of party chairman and former local government minister, Louis Sylvestre, and ex-Works Minister Fred Hunter, were handed in to party leader, George Price, at the weekend and become effective tomorrow, officials said. Political sources said the two rightwingers were at the centre of a simmering internal row with leftists that was partly blamed for the defeat of the PUP in a general election last month, after 30 years in power.

Sylvestre's decision to quit the party reduces its parliamentary strength to six. The ruling United Democratic Party has 21 seats.

In their letters to Price, Sylvestre and Hunter spoke of a Marxist communist master plan to eventually take over the party, the government, and finally the country. The two have consistently accused three other members in Price's last cabinet, Foreign Minister Vernon Courtenay, Health Minister Assad Shoman and attorney general and education minister, Said Usa, of being communists, a charge they all deny.

The cabinet rift was highlighted in the sudden resignation of Price's deputy Carl Rogers last January and what observers said was the demotion of Sylvestre from the energy portfolio in a subsequent reshuffle.

In an article yesterday, the Belize SUNDAY TIMES, a publication of the PUP, which generally reflects Price's views, said the resignations will be treated as final and irrevocable by a relieved party. It said that the former ministers with their widespread image of incompetence and disloyalty, had been a source of embarrassment to the party for many years. The PUP executive was due to meet later this month to consider calls for the expulsion of the two men from the party.

The immediate political future of Sylvestre or Hunter was not immediately known, but it is expected that the former will sit as an independent in parliament.

COSTA RICA

FRG MEDIATION IN DISPUTE WITH NICARAGUA ACCEPTED

PA240358 Panama City ACAN in Spanish 0113 GMT 24 Jan 85

[Text] San Jose, 23 Jan (ACAN-EFE) -- Costa Rica has accepted the mediation of the FRG to put an end to its differences with Nicaragua and reduce diplomatic tensions with that country, Foreign Minister Carlos Jose Gutierrez announced. The chief of Costa Rican diplomacy pointed out he presented this position to the FRG minister of state in the Foreign Ministry, Juergen Moellemann, who visited this country between 20 and 22 January. Gutierrez said that the German diplomat "showed interest in making efforts to try to obtain a reduction in the tension between the two countries."

In an impromptu press conference, Gutierrez declared that "we welcome any effort to normalize relations" between San Jose and Managua, which became cool last 24 December when refugee Jose Manuel Urbina Lara, who had been receiving asylum at the Costa Rican Embassy in Managua since last August, was forced out of the mission by the Sandinist police, according to San Jose, which is now demanding his return.

GUTIERREZ TO DISCUSS ASYLUM WITH CONTADORA

PA230410 San Jose Radio Reloj in Spanish 1200 GMT 22 Jan 85

[Text] Concerning the procedures and steps to be taken by the Costa Rican Government so that the agreement adopted by the OAS Permanent Council can be accepted, Foreign Minister Carlos Jose Gutierrez said he will talk with his colleagues in the Contadora Group. The idea, according to Gutierrez, is to ask the foreign ministers of Panama, Colombia, Venezuela, and Mexico what actions they will take to enforce compliance with the right of asylum.

The Contadora Group must make a decision within the next 3 weeks, before the 14 and 15 February meeting. Costa Rica has stated it will not attend that meeting if the case of Manuel Urbina Lara is not resolved.

EL SALVADOR

DUARTE ON FUTURE OF DIALOGUE, DESTABILIZATION

PA240027 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 23 Jan 85

[Report on a press conference given by President Jose Napoleon Duarte at the Presidential Palace in San Salvador on 23 January -- recorded]

[Text] [Moderator] This is President Duarte's press conference from this morning.

[Duarte] So far, I have not considered a third meeting. I would like to explain why. You were at La Palma and when we all left the place, we experienced a spirit of peace. The two sides spoke of peace. Those who were there, and I personally, expressed our views on the stance that had prevailed inside. While inside, we had commented that we could not leave this church without transmitting a message of faith and hope to the Salvadoran people saying that peace was possible.

You were also at Ayagualo. It is obvious what you experienced. If I were to ask you -- as I have asked many foreign journalists who were at Ayagualo -- what did you feel, I am sure that you would have replied: We feel frustrated. If you felt frustrated, just imagine how the Salvadoran people must have felt.

There was no spirit of peace in Ayagualo. The rebel groups arrived at the place with a single purpose: to say no to the humanization of the conflict. They came determined to respond negatively to all proposals of peace that I had instructed my representative to present at the meeting.

For this reason, we all left the place in frustration. I came out frustrated. So did the commission, you journalists, and the people. I cannot take my people to a process in which we destroy dialogue and the road to peace through frustrations. Therefore, the proposal for a dialogue must be very closely associated with the willingness for peace during the meeting. So I have to think carefully before making a decision on a new meeting, which might or might not contribute toward this peace process.

This explanation has been given because there is no doubt that the rebels have again tried to use the news media as an instrument for pressure. Yesterday in Mexico City, Zamora even made some ridiculous comments, saying that I don't hold power here and that now he can't even mention me as commander of the Armed Forces because to say such things have been forbidden in El Salvador. This is the type of language he used yesterday and this demonstrates a spirit of inconsistency and a determination to use propaganda as an instrument.

I have said very clearly that I am willing to sit down and hold a dialogue provided this is a sincere dialogue. I have also said that I am not willing to accept a tactical dialogue because this destroys the people's faith. I believe all of you have realized how the leftists, with that stance and speech given at Ayagualo, really strengthened the extreme rightists and that, since that time, rightists have again tried to destabilize the country, create tension, and dist t the positive side of the dialogue. As a result, all of you have realized how much the process has been harmed.

That is why, before making a decision, I have to take everything into consideration and evaluate all these factors so that, when I do make this decision, it will be for the good of the process. I think this clearly explains why I still have not made any decision on a third meeting. All this despite the fact that the leftists have been pressuring. But I don't accept any pressure when it comes to making decisions for the good of the country.

[Moderator] Mr President, here is journalist Estela Castillo.

[Castillo] Good day, Mr President. My question is related to the use of the C-47. In one of your press conferences last year, you said that definite bombing instructions had been prepared and that these bombings had to be authorized. Do these instructions include C-47's and their effectiveness? How many of these aircraft are there in the country?

[Duarte] There are instructions to the Air Force on the use of air support. Therefore, they apply to all types of equipment. However, it must be noted that the C-47 planes are not bombers. I think all of us know what the C-47 planes are. What happens is that attempts are being made to make them look like sophisticated equipment and something out of this world. The C-47 planes are DC-3 planes built before World War II. In other words, they are slow, very old planes which -- how can I say it -- are very easy to control in flight and are very safe, according to aviation records. They are on record as being highly versatile planes. These planes, with which all of us are familiar, are being used for transport purposes in small countries and small airports.

For example, Gutierrez [name indistinct] has one that is making flights to San Miguel. As in the case of helicopters, two machine guns have been mounted on these planes. Machine guns are also mounted on jeeps. The difference between a normal mounting and the mounting of these machine guns is that normally a gunner is required to man a machine gun. The only difference in this case is that they are mounted in such a way that the pilot can operate them directly from his cockpit and does not need a gunner. He can fire them from his cockpit, as in the case of all fighter planes throughout the world.

Therefore, this is nothing out of the ordinary. However, this is a small campaign by the guerrillas who want to discredit, to eliminate, the air support to the Armed Forces. This is a permanent campaign by the guerrillas to weaken the Armed Forces air support.

The advantage of these planes is that they are light and slow and can fly constantly over an area for as long as 6, 7, or 8 hours. In turn, a fighter plane is faster, consumes more fuel, and has a shorter range. They can fly half an hour and have to return to base. Therefore, a plane that can fly constantly over a battle area exerts greater control over events on land.

This is what the C-47 planes are. Now, as to how many there are, well, there are several in our country. However, the ones they are talking about, the source of the big scandal are two, one of which is armored and another one that is not armored. One has the machine guns mounted and the other one does not have any. This is the information I am able to give you. Now then, the C-47's or DC-3's if you want to call them that because DC-3 is the civilian name and C-47 is the military term. However, they are the same plane. You can find them anywhere. Just go to any airport in Honduras and you will find two or three of these planes there. Therefore, if you take one of them and mount a couple of machine guns on them, there you have [word indistinct]. This is, in a nutshell, what (?the C-47 is).

[Words indistinct] explained that this is a campaign. This is because there is no question as to what this means in military action. The air support which the Air Force provides to the infantry is important when there is a conflict or a clash. And one of the most important advantages the guerrillas have had in their activities is that they have operated at night. They began their operations at 1800, at nightfall, because they knew that there was no air support at night, that the helicopters could not fly, that they could not transport troops to provide assistance during any guerrilla action.

However, in the event of some action, these planes can fly constantly at night over the battle area and can provide various services. For instance, they can serve as a means of communication between the troops and the military command because the range of this plane makes communications with the troops possible. Therefore, it is possible to maintain perfect control over the military operation. In addition, the infrared equipment makes it possible to see at night and therefore it is possible to determine what is happening below. So, the machine guns can be used to provide support to the soldiers engaged in battle below.

This new phenomenon is what the guerrillas want to stop. This is the reason for all campaigning. They combined this with their campaign against the bombings, because what they seek is to discredit us. They also tried to discredit the Atlacati Battalion. You will probably remember their campaign to discredit the Atlacatl Battalion. Therefore, this is what I can explain at this moment.

[Moderator] Mr President, newsman Raul Beltran.

[Beltran] Mr President, I have two questions. One of them is related to the activation and resurgence of the death squads, which has been repeatedly denounced every 8 days, by the Catholic Church. In first place, what has occurred in connection with the commission you organized when you took power? Are investigations continuing and what specific events have been investigated with regard to their operation? Also, will your government continue supporting Costa Rica with regard to its diplomatic complaint against Nicaragua? Has El Salvador decided to absent itself from Contadora because of this complaint?

[Duarte] With respect to the second point, I have already given instructions to the foreign minister and he has already made statements in that regard. We have even put in writing the government's official communique which clearly states our position of support for the right of asylum and full support for the Costa Rican Government's just complaint regarding the violation of the right of asylum. Therefore, there are no doubts with regard to this point.

Regarding the second point [as heard], I wish to state that this government is working and continues its efforts to stamp out all actions that violate human rights in any way. We have created the commissions. There are two commissions working in a coordinated way. Some of the cases have been turned over to the security corps which have already made several arrests. Let me give you an example. Do you remember the death, the vile murder, of a Protestant pastor in San Miguel? We carried out a full investigation and finally arrested the people who, according to the investigation, were responsible for the murder. They were arrested and sent to the courts. I can further add that the self-same commander of the garrison at San Miguel gave depositions in that regard because a sergeant of the 3d Brigade was among the people who were involved in this crime. [Words indistinct] to the courts.

I can give you several other examples but I think that this illustrates the spirit in which we are working. We continue investigating. The commissions are conducting the investigations that I said would be conducted. We are investigating the case of Msgr Romero. We are investigating the case of Pearlman, Hammer, and Viera [U.S. and Salvadoran citizens murdered in 1981]. In sum, I think I can assure you that the commissions continue working. What I cannot assure you is what the result will be, because in these cases one makes the effort of obtaining information and investigating. We have some clues that may yield some positive facts in order to adopt decisions. In other cases we will probably be unable to get evidence [word indistinct]. I do not want to take action unless I have real evidence because, from the standpoint of justice, it would be a mistake to take action without any evidence.

In addition, we are making efforts to control all actions involving abuse of authority, by any civilian or military authority, and we have made decisions in this respect. Therefore, we are also working on this.

[First announcer] Within a few seconds we will continue broadcasting the press conference held by President Jose Napoleon Duarte, which will be relayed by our Companero Raul Beltran.

[Second announcer -- broadcast in progress] ...Report by YSKL La Poderosa. We are contacting newsman Raul Beltran at this very moment. Good afternoon and go ahead, Raul.

[Beltran] Good afternoon, Tobi. As for the second part of the conference held this morning by the president of the Republic at the Presidential Palace, it dealt with various aspects, the most interesting of which are the discontinuation of the dialogue with the leftist rebels until they define their position of using these meetings as a tactical dialogue; the unconditional and definitive support of the Costa Rican Government with regard to its intention and complaint against the Nicaraguan Govenment over the recent violation of the Costa Rican diplomatic offices in Managua; and the announcement that until such a time as the Nicaraguan Government amends the position it adopted on 24 December, El Salvador will abstain from attending the Contadora meetings, thus supporting Costa Rica; and also what is regarded as a decision by the Governments of Honduras, Costa Rica, and El Salvador not to accept Nicaragua's attitude regarding respect for the right of asylum and international diplomatic principles.

President Duarte also denounced the destabilization plans of the left wing, and particularly the right wing, against his government, which go so far that a document the president himself described as written with fascist language, is being distributed within certain sectors of the Salvadoran Army to try to persuade the military to stage a coup d'etat. He blamed extreme rightist sectors for these activities. President Duarte broached other topics, which he discussed as follows:

[Duarte] When I raised the topic at the United Nations, one of the ideas was the internationalization of the dialogue, because the guerrillas' strategy was very (?simple). I presented this new topic, and it states that if the dialogue is internationalized, we Salvadorans will not be able to do anything to defend our sovereignty because it will be in the hands of others. It is the French, the gringos, the Chinese, the Japanese, the Germans, who make the decisions regarding our problems.

Therefore, what we have to do is nationalize the situation. This is why I proposed the idea that the dialogue be held in El Salvador, by Salvadorans, so that the problems of El Salvador can be discussed. The terrorist sectors continue to support the idea of internationalizing the dialogue because this is where they have the capacity and ability to twist things. They want to internationalize the dialogue. Then they will want the presence of Betancur, the hope, Luis Herrera Campins, Willy Brandt, and of course, the United States. Therefore, there are two clear positions. The first position is studying the Salvadoran phenomenon from the point of view of the Salvadorans, in order to eliminate the international factors and to find a solution to our problems. This is what I am trying to do. The other thesis is that of internationalizing the problem, which is the theory that has been followed by our [word indistinct]. This is why everytime they make a statement, they include someone, today the United States, tomorrow it will be Germany, the day after it will be China, then anyone. They do not care. What they are trying to do is to internationalize the conflict. I think this explains why I am opposed to any foreign intervention in the national conflict, because I think that apart from that the phenomenon of the international conflict should be stated, which is something else. The confrontations between the East and West are something else. This is another phenomenon that has to be handled differently. Therefore I am doing the two things simultaneously.

To resolve international problems, obviously there have to be [passage indistinct] policies. To resolve national problems, the policies obviously have to be national. This is my thesis.

The second point deals with the extreme right wing and their efforts to create destabilization. This week the Armed Forces have been hearing rumors of destabilization. These rumors have even been reported in newspapers; you will remember that at Christmas time here was talk about a possible coup. All of you read it, commented on it, heard it, and published it. I have two documents here fashioned along fascist lines that are reaching some military men with the intention of creating an antidemocratic attitude in their minds. The theory expounded in these documents is that to face and solve the problem in which we live, we have to create political-military control in the country, make this a war of extermination, and promote the elimination of the democratic process in order to impose a victory. This is what these documents state.

This proves the consistent action of these exterme right-wing sectors, who want to destabilize the country and, as their custom, they want to use the Armed Forces as an instrument of destabilization to produce this type of action. Nevertheless, I feel quite proud that the Armed Forces are clear in their role of strengthening democracy in the country, and that the Armed Forces understand that national security is founded upon our being able to give our fatherland security with justice and liberty, which can only be achieved with the instruments of democracy, and not with the instruments of dictatorship.

This [words indistinct] I will permanently visit the headquarters. Today, this afternoon, I will visit another headquarters. I talk constantly to the officers; we discuss these things, and I inform them of all the political, economic, and social phenomena in the country. The Armed Forces are clearly informed; at least I make a great effort to keep them clearly informed on all the national situations. This is all I can say in this regard.

[Beltran] Newsman Guillermo Penate Zambrano from El DIARIO DE HOY asked President Duarte if he thought that EL DIARIO DE HOY was being boycotted by the state, which has not allowed some state institutions to publish advertisements in the newspaper. The journalist also said that there are some state institutions that deny the newspaper information, and this is considered a boycott. Meanwhile, the Inter-American Press Association has rejected this practice because it is also considered an attack on the free expression of thought. This was part of Penate Zambrano's question, and the president responded in the following manner:

[Duarte] I want to say that the doctrine of freedom of the press is for all, and not only for one person. We all have this responsibility, because freedom of expression is to be used to inform the people and not to prevent the people from being informed. Everyone, publishers, companies, government, we all have to support free information. However, we have to distinguish between the line of (?provocation) and the line of information. Any newspaper has the right to give an opinion in a democracy, and it should be respected. In this country no one can complain in this regard about the government, and no one can complain that I have ever carried out an action against freedom of thought in this country. I think that it would be enough to see the way EL DIARIO DE HOY is constantly attacking us, and not only on the editorial pages, but in the news section also.

Neverthess, I have never adopted any attitude, even when there have been editorials that clearly advocate a coup and when they published items that show a lack of respect not only for the people, but also for the authorities. All of this is to say in the first place, that I respect freedom of thought. Concerning the campaign unleashed by EL DIARTO DE HOY on the government's attitude, I think it is important to review EL DIARIO DE HOY itself, where they have actually published news reports released by the president's press office.

However, I think that what I am about to say is most important. I met with the national media, and I met also with the National Association of Private Enterprise [ANEP], where we discussed these problems and they stated that the document I prepared on austerity in the country implied control of the information secretariat in regard to these institutions, and that this went against freedom of the press. I reviewed the document and changed Article 11, and not only this; I sent the document to the media for their consideration and approval. Therefore, the article was approved by the media and the companies, institutions, and associations affiliated with the media, and once again included in the document. This was published in the official newspaper on 3 January.

With this document, then, we met with all of the public relations managers of the institutions that [passage indistinct] in this document, and they were convinced that they had to respect it. I have received a letter from the ANEP in which EL DIARIO DE HOY complains and requests a correction on this topic, and I have answered saying that I am willing to correct the fact that Article 11 of the austerity document states that according to the technical studies, all of the media will be provided with the necessary news reports. This implies that we will have to measure the technical effectiveness of the advertisements that each institution has to publish. Each institution has to do this. Therefore, the newspapers have direct information on what each institution does regarding publicity. Each institution has to carry out its own publicity.

At this point I want to discuss a topic that must be very dear to some of the newsmen who are not on the staff of EL DIARIO DE HOY, but have suffered some type of decrease in their economic support from advertisements. There are people who make a living through radio programs with news report and who have at one time suffered a decrease in news reports from the government, because there was no money to pay for them. This is very different from the interpretation that EL DIARIO DE HOY has presented. Their manner of presenting the issue shows that what they want seems to be a confrontation with the government, and they are using an economic situation which could lead to confrontation and this is not fair.

I think that we are all clear on the fact that for this year, the Legislative Assembly itself has practically cut off all of the government's means of publicity. We cannot expect the same amount or proportion of state publicity because this cannot be granted. Likewise, I believe you are all aware that the cost of producing a newspaper nowadays has risen two, three, even four, time higher than it used to cost some months ago. We all know this includes the paper which is imported from abroad. Therefore, it is quite obvious that we will not be able to print the same amount of news and advertisements. I am trying to stress that the president of the Republic holds no grudge against the news media; quite the contrary, I am helping you. My secretary will now bring me the letter -- if you please -- that I sent to the ANEP and the letter which the Central Reserve Bank has sent me regarding the problem of getting more dollars. We are dealing with specific facts.

EL DIARIO DE HOY has published an article saying that the government took [corrects himself] could not give them enough dollars to pay for the paper. That...[rephrases] Here is the letter sent to the Central Reserve Bank, asking it to correct this mistake if this is the case. I also asked the bank to give me an explanation if this is not true. It turned out that EL DIARIO DE HOY had not requested the necessary amount to cover its debts in dollars, so that this could be included in the process to authorize the dollars. I believe it is quite clear that there are no dollars in the country and, if there are no dollars in the country, this means no one can get dollars. Therefore, EL DIARIO DE HOY has no right to say that this is a boycott against EL DIARIO DE HOY, in any case, it would be a boycott against the country, since there are no dollars in the country.

We must save dollars to buy food; we must save dollars for vital things. I have granted a special concession to the newspapers. Slowly, throughout the year, we will approve applications to purchase paper. I promised you that we would help you get the dollars at the official exchange of 2.50 colones per dollar so that you can purchase paper for the newspapers. All this will be done in due time. I have pledged this to the newspapers and I have asked the Central Bank to fulfill its duty as much as possible.

Consequently, this is not an attitude which counters our pledges, as implied by EL DIARIO DE HOY, or represents an antidemocratic boycott. This is completely false. The truth is that no one ignores what EL DIARIO DE HOY's attitude is toward the government. I believe that the people have clearly perceived -- and the Salvadoran people can hear me over the radio -- the people have clearly perceived [repeats himself] what EL DIARIO DE HOY's attitude is toward my government, and the headlines it prints. The newspaper prints a similar headline every day. Clearly speaking, what does this mean? I think that every journalist knows this; no one denies this. Nevertheless, this government has an absolute respect for freedom of the press, and has come to the point where we accept this lack of respect.

Here is the letter from ANEP, where it presents a complaint. My answer reads as follows [corrects himself] I am sending copy to the Central Bank and copy to the ANEP. Here is the Central Bank's reply regarding the lack of foreign exchange. It reads as follows, and I am going to read it to dispel any doubts.

Regarding your letter dated 10 January 1985, where you request information regarding the charges of a biased granting of foreign exchange to EL DIARIO DE HOY, I hereby report: A) On 21 December 1984, the balance of the foreign exchange approved for all the newspapers was $1,144,300. LA PRENSA GRAFICA had a pending balance of $769,000 and EL DIARIO DE HOY only $347,000. Thus, you can see that LA PRENSA GRAFICA had a larger sum pending than EL DIARIO DE HOY.

Upon receipt of the ANEP letter addressed to you -- that is the one I sent them -- I requested the information from EL DIARIO DE HOY representatives, because the foreign department only had a pending balance of $375,000. [as heard]

On 7 January I received a note from that newspaper with details of the imports pending payment. Based on this, we have detected that the foreign exchange control department had involuntarily and unintentionally delayed a request presented by [words indistinct]. This can be easily explained because [words indistinct] $75 million pending for all the necessary credits. In addition, we have approximately $65 million in past due letters of credit which have not been paid to associate banks.

The absence of a constant effort from the interested parties...[rephrases] Proof of this is that the newspaper had not told the presidency what was happening.

To date, I have adopted the necessary measures to approve a certain amount of foreign exchange -- within our capabilities -- to help pay part of the newspaper's debts. Thus, we will prevent any future charges of a biased attitude toward the news media.

I believe that no president of this country has ever done things in such a peaceful way. Nevertheless -- and EL DIARIO DE HOY is quite aware of this -- nevertheless [repeats himself] today's headlines talk about a boycott. This is unjust.

GOVERNMENT SUPPORTS U.S. DECISION ON HAGUE COURT

PA240407 Paris AFP in Spanish 0050 GMT 24 Jan 85

[Text] San Salvador, 23 Jan (AFP) -- The Salvadoran Government today announced its support of the U.S. decision to withdraw from The Hague international court, where a Nicaraguan charge against the United States is being deliberated. In an official communique, the Christian Democratic government of Napoleon Duarte today noted that "the solution of Central American problems corresponds to the nations of the region." "No international organization, whatever its nature, should propose solutions on the Central American situation, without specific consultation and approval of all the interested nations," the note added. Nearly 1 year ago, Nicaragua accused the United States before The Hague court of mining its ports and carrying out other sabotage acts against its economic infrastructure.

MAYORAL ELECTIONS POSTPONED UNTIL 31 MARCH

PA232048 Paris AFP in Spanish 2012 GMT 23 Jan 85

[Text] San Salvador, 23 Jan (AFP) -- The Salvadoran Central Electoral Council, which is dominated by right-wing parties, today postponed until 31 March the elections for deputies and mayors, initially scheduled for the 17th of this month. This decision resulted in angry protests from the Christian Democratic Party in power, which described the decision as an "unconstitutional measure." Jose Antonio Morales Erlich, the Christian Democratic mayoral candidate in San Salvador, said: "The right wing is distorting the democratic process in this country, deciding important matters in an arbitrary manner."

COL OCHOA DECLARES POPULATED AREAS 'FREE FIRE' ZONES

PA231756 Buenos Aires LATIN in Spanish 1429 GMT 22 Jan 85

[By Mark Baillie]

[Text] La Palma, El Salvador, 22 Jan (REUTER) -- A military commander who is participating in the struggle against the leftist guerrillas in northern El Salvador has declared 13 zones as "free fire" ["de fuego libre"] zones for the artillery in spite of protests that artillery fire could produce many civilian casualties. Colonel Sigfrido Ochoa Perez, commander of the northern region, told REUTER during an interview last week that the civilian population has been removed from the 13 zones where FMLN guerrillas control an extensive area. However, human rights organizations, and even sources in the brigade under Ochoa's command, have said that half of the area's inhabitants remains in the villages, which have already endured fire from .105-mm artillery guns.

Ochoa, who has a reputation as a hardliner opposed to any kind of negotiations with the rebels to put an end to the Salvadoran civil war that has been going on for the past 5 years, said that the civilians had been moved out to permit unlimited artillery firing. He said: "I prefer to transfer them out for a couple of months, attack the guerrillas without the civilians, and then let the civilians return, but not before I bomb the area and use full military force there."

Ochoa said that the free fire policy is part of an strategy that includes the enrollment of local residents into civil defense groups and the implementation of public work programs with the objective of turning the course of the war against the guerrillas.

The civilians, who represent the majority of the 50,000 dead produced by the guerrilla war against the U.S.-supported government, have been accused by the government of collaborating with and giving refuge to the rebels. Peasants from Chalatenango Department, which is under Ochoa's jurisdiction, fear that they could be taken as supporters of the guerrillas if they evade the daily obligatory military training for adults that is part of the civil defense program. In defending his strategy, Ochoa said: "I truly believe that the population cannot be neutral. No one can be neutral."

[Words indistinct] of the rebels in rural areas and would force them to return to urban guerrilla warfare and political assassinations, something that would hurt his image in the country and abroad.

Two years ago, the government tried to introduce counterinsurgency operations combined with civic action programs copied from the U.S. effort to win the hearts and minds of the Vietnamese people. However, these plans failed, especially because of widespread military corruption and inefficiency, Western diplomats have said. Ochoa was asked if his strategy has any similarity to the U.S. plans in Vietnam and he answered: "They lost. The Americans know nothing about [word indistinct]. The Taiwanese and the Israelis do know." Ochoa added: "What we needed was organization and decisions." Ochoa gives the orders and implements the plans of the military-civil program.

The decision to declare free fire zones comes at a moment when the United States is planning to provide modern armored helicopters to El Salvador in an effort to break the stagnation in the war with more firepower. An important U.S. official has said: "Mobile firepower is a key factor in fighting a guerrilla war. It is necessary to have the ability to fire intensively on the enemy." The United States has already sent two [words indistinct] planes and .50 mm-machine guns to El Salvador. Human rights groups and the Catholic Church view this as evidence that the government wants to give the conflict an strictly military solution.

Meanwhile, in La Palma, a small mountain village where the guerrillas and the government met this past October to make the first contact to find peace, the villagers have stated their concern. The mayor, Guadalupe Sola, has said: "There is hope that civic programs will continue, but there is great fear also because the guerrillas are still in the area." Until recently, the guerrillas had free access to La Palma. The people fear that the Army could again abandon the village and that the local people who joined civil defense units could face reprisals from the guerrillas.

COMMUNIST PARTY LEADER ON DIALOGUE, STRUGGLE

AU181951 Sofia RABOTNICHESKO DELO in Bulgarian 17 Jan 85 pp 1, 4

[Text] With their heroic struggle the people of El Salvador have won the respect and support of progressive mankind throughout the world. The Communist Party plays a vanguard role in this struggle. Georgi Monev, our correspondent in Prague, interviewed Shafik Jorge Handal, the secretary general of the Communist Party of El Salvador, asking him to describe the struggle of the patriots in El Salvador and the opportunities as well as future prospects for a dialogue with representatives of the Armed Forces and the dictatorial regime.

[Monev] How would you characterize the present stage in the history of the revolution in El Salvador?

[Handal] We successfully took advantage of the democratization in El Salvador which occurred in the beginning of the 1970's. The Communist Party, under anther name, participated in the election campaign with the purpose of consolidating its relations with the broad strata of the working people and making its program accessible to the popular masses and to accumulating experience in the parliamentary sturggle. Since the beginning of 1970, there began to appear on our country's political scene other revolutionary organizations which launched the slogan of armed struggle as their primary goal. During this period armed struggle, strikes, and election campaigns developed at the same time.

During the second half of 1979 a revolutionary situation emerged in El Salvador, and our party succeeded in achieving unity with two of the four revolutionary organizations existing at that time. The first agreement on alliance was signed at that time. This marked the beginning of a rapid process of rallying all left-wing forces. The revolutionary left thus achieved great prestige and influence, becoming capable of rallying the broad masses of the people. At the beginning of 1980 we created the Democratic Revolutionary Front which, after the remaining two revolutionary organizations joined us in October of the same year developed into the Farabundo Marti National Liberation Front.

Conditions were created for the large-scale advance which we began in 1981. The people's armed struggle has been waged for 4 years now. During this period our armed forces have been strengthened. As a member of the Supreme Command of these forces, I can say that we have an efficient and well-experienced army, capable of achieving victories.

[Monev] Negotiations are now being conducted between the patriotic forces and the Duarte regime. Have they made any progress?

[Handal] There are actually no negotiations; only a dialogue has started. For 3 and 1/2 years we had proposed such a dialogue with the purpose of finding a political settlement for the crisis in our country. This proposal was rejected by the United States and by the Salvadoran Government. Our enemies hoped to defeat us by military means. Life, however, has confirmed the opposite. Despite tremendous U.S. assistance to the enemy, we continued to pursue him. Washington intensively assisted the dictatorial regime, whose Army amounted to 14,000 men in January 1981 and 50,000 today. It was transformed into a modern army with great striking power, with an air force, with helicoper airborne military units, and so forth. U.S. naval forces are deployed near the shores of our country. U.S. military bases have been built in our neighboring country, Honduras. Salvadoran soldiers are being trained there. Military operations are organized against us from that territory. According to official data, the military assistance of the United States amounts to more than $1.5 billion.

We had to fight against all this. At the same time we developed not only an armed struggle but also a political and diplomatic one as a result of which a drastic change in the balance of power was achieved. This new situation now resulted in a dialouge, but for the time being there have been no negotiations. It is necessary to tip the balance of power more to our advantage in order to begin negotiations.

[Monev] Can you describe the stands of both sides?

[Handal] The proposal of the Duarte government actually implies that we should stop the armed struggle, obtain amnesty, and hand over our arms, that some of us should leave the country, and other remain but participate only in the political struggle. The government, however, will not achieve these goals. They did not achieve them on the battlefield and will not achieve them through negotiations, either.

We submitted proposals for the comprehensive settlement of the crisis in our country. This means that the government should abolish the state of emergency, stop the activities of the "death squads," and guarantee the withdrawal of all North American military advisers, as well as stop any joint military exercises on the territory of El Salvador, and conclude agreements with the revolutionary forces for stopping sabotage actions against economic targets. We also propose a halt to military actions in order to form a commission which should be in charge of the implementation of cease-fire agreements. A government of national consensus should be established and constitutional reform should take place, the Army should be reorganized with the participation of the FMLN, and general elections should take place. These proposals, however, have been rejected by the government and by the U.S. State Department, although this institution does not directly participate in the talks. The dialogue will nevertheless continue. We are patient. The revolutionary struggle in El Salvador has already entered a new, decisive stage. We will continue our offensive as long as conditions for negotiations have not been created.

Shafik Jorge Handal expressed his high appreciation for the international solidarity with the struggle of the people of El Salvador. This solidarity has become a broad movement, which has even spread to the United States. We are very grateful to the socialist countries for their sincere and consistent support and especially to the Bulgarian people, who have great revolutionary traditions and enjoy great prestige in our country, the Communist Party of El Salvador Central Committee secretary general stated. This support is a great source of moral strength for us which we feel every day. People in our country are increasingly trying to listen to and to understand the radio broadcasts of the socialist countries in which they find support and new impetus for their struggle.

VENCEREMOS REPORTS ON RADIO RELAY STATION ATTACK

PA231626 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 23 Jan 85

[Excerpt] Here we have military information. Pay close attention: The facilities of Radio Nacional in the eastern part of the country were seized and the relay station of the dictatorship's radio station was destroyed. Pay close attention to this report: At 0100 on Monday 22 January, guerrilla units from the Rafael Arce Zablah Brigade [BRAZ] attacked enemy positions charged with guarding the important facilities of the relay station of the dictatorship's Radio Nacional, located on km 18 of the road between the city of San Miguel and San Francisco Cotera, at the intersection of the military route.

After only a few minutes of fighting, our units seized the facilities of the dictatorship's Radio Nacional, after dislodging a company of the Ronald Reagan Battalion, which had been guarding these facilities. After defeating the enemy troops, our guerrilla units proceeded to [passage indistinct] San Miguel (?and of) the 3d Infantry Brigade headquarters. During this action, we inflicted 12 casualties on the Duarte dictatorship's troops. [Words indistinct] Ronald Reagan.

[Passage indistinct] the puppet Armed Forces sent two helicopters and an armored C-47 plane, delivered by Reagan, and they indiscriminately strafed a zone densely populated by civilians. During this operation, we repeat, we inflicted 12 casualties on the dictatorship's troops and completely destroyed the Radio Nacional relay station. We report that during this operation, we suffered the heroic fall in combat of three of our companeros.

We deny as completely false the report that airborne troops landed. And if they did, our units were unaware of it, as by that time, they had already fulfilled their mission of destroying Radio Nacional's facilities in the east. In the east [words indistinct] station was silenced through its relay station in the east.

One of the goals of the "Torola V" operation was to destroy Radio Venceremos, but as soon as they suspended this operation, we destroyed Radio Nacional's relay station in the east. This action was carried out by the Lilian Mercedes Letona Northern Group, of the FMLN's BRAZ. This report was sent to us by Commander Ana Sonia Medina.

GUATEMALA

FOREIGN MINISTER ON MCFARLANE VISIT, BELIZE

PA222013 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 22 Jan 85

[Text] Robert McFarlane, Washington's security adviser, has confirmed plans to aid Guatemala. McFarlane, directly representing U.S. President Reagan, met on Thursday with Head of State Meja Victores at the Air Force airport. Reagan's envoy brought the Guatemalan head of state the U.S. President's message that the U.S. National Security Council will continue its recommendations for general cooperation and aid to Guatemala. Reagan's envoy is confirming the democratic process in Guatemala. Foreign Minister Fernando Andrade Diaz-Duran told journalists today that McFarlane, as President Reagan's direct representative and as U.S. national security adviser, is trying to confirm Guatemala's political opening and democratic process as part of his visit to the Central American countries. The foreign minister told journalists that McFarlane will visit Guatemala's high plateau, will meet with members of the Supreme Electoral Tribunal, and will verify the democratic progress achieved by Guatemala.

The arrangements for a new round of talks on Belize are between Guatemala and the United Kingdom. Foreign Minister Andrade Diaz-Duran today said that the arrangements for a new round of talks on Belize were directly made with the United Kingdom, adding: We are not really concerned about whether or not Belize participates in them. Belize was invited as an observer and not as a direct participant, the Guatemalan foreign minister said. Minister Andrade Diaz-Duran reiterated that Guatemala does not accept any kind of conditions from the Belizean Government, particularly for the development of these talks.

Foreign Minister Andrade Diaz-Duran today said that Guatemala continues its direct efforts so that Costa Rica, Honduras, and El Salvador will return to the Contadora Group negotiations. Guatemala will attend the meeting of plenipotentiaries in Panama with the foreign ministers of Venezuela, Colombia, Mexico, and Panama. The Guatemalan foreign minister said that he hopes that the current situation will soon be solved so that Honduras, Costa Rica, and El Salvador will participate.

ANDRADE STRESSES GOVERNMENT'S POLITICAL NEUTPALITY

PA231641 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 22 Jan 85

[Excerpts] The Guatemalan Christian Democratic Party, PDC, announced yesterday that Foreign Minister Fernando Andrade Diaz-Duran reportedly proposed that this party ally itself with the Union of National Center, UCN, for the next presidential elections. It had been reported in political circles during the past 2 weeks that a ranking government official was behind the triple alliance of the UCN-National Renovating Party-Revolutionary Party and that at the beginning this alliance had been conceived as a great democratic front that would also include the PDC. For his part, Foreign Minister Andrade Diaz-Duran resumed his duties today, after returning to the country Saturday night from Houston, Texas, where he remained for a little over 1 week to undergo surgery on his spinal column. He was interviewed this afternoon for the "Here's the World" newscast regarding statements by PDC leaders linking him to political-electoral talks.

[Begin recording] [Andrade Diaz-Duran] Precisely today at noon, while I was watching the "Here's the World" newscast I heard some statements made by political leaders. This gives me an opportunity to reiterate categorically and emphatically once again that the government of the Republic maintains absolute political neutrality. On a personal basis, we are in no way intervening, and we do not intend to do so. On the contrary, we are all committed to the objectives perfectly outlined by the Guatemalan head of state which are aimed at recovering the Guatemalans' confidence in their institutions. The government simply understands that an electoral campaign has begun, and perhaps some persons are interested in creating controversies. However, I reiterate that we are only observers and have not been involved in activities for any particular party. Obviously, a ranking government official, a minister, has the opportunity during various social activities to meet with political personalities of various leanings. I have friends in many political groups and I think that this is perfectly normal. As a citizen I have my own convictions and political preferences, but it would not be proper for me to express them publicly, and much less to engage in political activities for a specific party.

[Reporter] It has also been reported in political circles that you have met with the leaders of certain political parties at your residence.

[Andrade Diaz-Duran] The truth is that public officials are visited by persons interested in discussing various topics that fall within his field and jurisdiction. For instance, we have held talks with politicians representing the various political parties at the National Constituent Assembly to discuss subjects such as Belize, which is a matter of national interest. We have also discussed international relations, but never, at no time, I stress, has the government or its officials supported a particular political group, and they do not plan to do so. I therefore want to make clear the government's and my personal position in the sense that we will maintain absolute neutrality in this process. [end recording]

Andrade Diaz-Duran considered as speculation the public statements made by political leaders on his alleged political participation.

[Begin recording] [Andrade Diaz-Duran] The truth is that we are at the end [corrects himself] I mean at the beginning of an electoral campaign. It is only normal that some politicians will speculate, and some will try to provoke confrontations, or try to initiate commentaries from various sectors, with the apparent intention of getting attention, or as I said before, to create controversies.

[Reporter] You have also been mentioned as a presidential aspirant for some political parties. Have you received any specific proposals in this respect?

[Andrade Diaz-Duran] Absolutely not. Precisely a year ago, in January 1984, "Here's the World" newscast announced in one of its programs that I was being considered as a possible candidate. I immediately denied these reports, which were groundless. I once again reiterate that we have a commitment to our head of state and to Guatemala. We are serving the government to the best of our abilities and capabilities and in so doing we think that we are also serving the country. We have worked with good faith and goodwill, and we have no personal political interest whatsoever. As a citizen, I have a right to participate in politics, but we have defintely not considered doing so for the next elections. As for the future, maybe...who knows?

[Reporter] Do you still consider the possibility of becoming a presidential candidate at the end of your term?

[Andrade Diaz-Duran] Look, this is a possibility that could or could not exist. We have no specific idea about this, or any personal interest. Eventually, I may have future political participation after this year's general elections, but not at the level you have mentioned. [end recording]

HONDURAS

NICARAGUAN DEPUTY MINISTER VISITS, DISCUSSES AMNESTY

Talavera Comments

PA231524 Managua Radio Sandino Network in Spanish 1200 GMT 23 Jan 85

[Text] In remarks to "The Extra Newscast" after his meeting with Honduran Foreign Secretary Edgardo Paz Barnica, Nicaraguan Deputy Foreign Minister Jose Leon Talavera said that the main purpose of his visit to Honduras is to explain to the Suazo Cordova government the amnesty plan established by the revolutionary government for the Nicaraguans involved in counterrevolutionary activities.

[Begin recording] [Talavera] It is increasingly obvious and evident that the Honduran people are suffering from the outrages committed by these mercenary forces. Through the amnesty, we seek to resolve for the Honduran Government and people this problem that they should not be experiencing. We are trying to ensure with the utmost responsibility and mechanisms that all the counterrevolutionaries who are in Honduras can enter Nicaragua with the necessary personal guarantees and resume their normal lives. We want this measure to contribute to internal peace in our country. This was the main objective of our visit. We want to tell the Honduran Government about this political measure issued by the Sandinist people's revolution. Foreign Secretary Paz Barnica expressed thanks for this gesture and told us that he will issue a comment later.

[Question] What effectiveness can the amnesty have if the United States, which (?has nothing to do) with Nicaragua, has rejected the amnesty and Nicaragua is saying that the mercenary forces are (?handled) by the United States?

[Talavera] We believe that after the U.S. Government's break with the International Court of Justice, leaving the United States in a situation of international banditry since it has decided not to recognize the highest international court of justice, the Central American governments should reflect and understand that this is the best time for the small countries, despite all their development and poverty problems, to bilaterally find the solutions that are being blocked by intransigent positions. It is undeniable that for the American people, the presence of the counterrevolutionaries in Honduras does not carry any cost. Crimes and thefts against the Honduran people have not been committed on U.S. territory. Therefore, we think that the Honduran Government should react independently from the U.S. position.

[Question] You say that your territory is the target of contra aggressions but we Hondurans are also the object of aggressions by your Army. For example, yesterday two Hondurans were kidnapped in Marcovia, a village near Choluteca. How could you stop these constant incursions into Honduran territory supposedly in search of contras?

[Talavera] We said some months ago that in order to discuss and study the best solutions to the existing problems, we need to estabish a joint Honduran-Nicaraguan commission to analyze each case. I can assure you that on the part of the Nicaraguan Government there is full willingness to prevent incidents between Nicaragua and Honduras.

[Question] We would like to know about the Manzanillo talks with the United States?

[Talavera] We do not think that these series of intransigent positions announced by the United States recently are accidental. If we go back to the recent past, we can recall that the United States said it was beginning the Manzanillo dialogue with Nicaragua to encourage Nicaragua to accept the Contadora negotiations. This position was unmasked when Nicaragua was the only country to fully accept the proposal drawn up by the four governments who have been making the most significant contribution to the achievement of a political solution to the Central American problems. We think that in each of these meetings the United States was taking an increasingly more intransigent position that was not in line with the efforts for dialogue that have been encouraged at the world level, and as a result of this intransigence, it decided to suspend the talks.

[Question] How are Costa Rican-Nicaraguan relations after what occurred in the Costa Rican Embassy in your country?

[Talavera] On the night of 24 December there was a small incident outside the Costa Rican Embassy in Managua. From the beginning we have been trying to resolve this case. We think it is a very small case that has been magnified, distorted, and taken to levels that show the participation of other interests that want to divide the Central American peoples. We wanted to discuss this case within the framework of the commission established by Nicaragua and Costa Rican because we also have a countless number of cases to present to Costa Rica of Eden Pastora, Alfonso Robelo, and a number of counter-revolutionary forces, and the installation and broadcasts of Radio Impacto, which is a station whose transmission is only directed at Nicaragua. According to international norms, it is inconceivable that the residents of one country are harangued from another country. Therefore, we think that our two countries have a number of issues to resolve and we are optimistic that the best framework to discuss and resolve these problems is Contadora. [end recording]

Paz Barnica Press Conference

PA231540 Tegucigalpa Radio America in Spanish 0427 GMT 23 Jan 85

[Press conference by Honduran Foreign Secretary Edgardo Paz Barnica at the Foreign Secretariat in Tegucigalpa; questioners not identified -- live; broadcast in progress]

[Paz Barnica] ...will be presented to the Nicaraguan legislature. We have not studied the document in depth yet, but we believe that all measures that contribute to domestic unity and reconciliation -- and an amnesty does -- are good.

[Question] Mr Secretary, he [Nicaraguan Deputy Foreign Minister Jose Leon Talavera] has also mentioned that there are death squads in Honduras. He spoke of contras and Hondurans working together. What can you tell us about this?

[Paz Barnica] I have no knowledge of the presence...[rephrases] I mean, I am not certain that there are death squads in Honduras. However, the situation must be investigated. It would be even more serious if foreigners who violate Honduran laws are involved.

[Question] Does the report issued by the Armed Forces state this, Mr Secretary?

[Paz Barnica] State what?

[Question] That some of the people listed as missing could have been taken by presumed contras who are operating here.

[Paz Barnica] It said that?

[Question] Well, I believe that you read that report.

[Paz Barnica] I did, but that is not exactly what it says.

[Question] Well, you tell me what it says.

[Paz Barnica] It says that the possibility exists that foreigners were involved in this, but the statement is not specific. However, I understand that the same report and the communique that the Armed Forces issued extends for 90 days the activities of that commission, which is expected to investigate further because the Armed Forces began the investigation for humanitarian reasons.

[Question] Mr Secretary, how did the meeting held on Friday or Saturday with Mr McFarlane from the United States go? What did Honduras expect to obtain from the talks? How did the United States respond?

[Paz Barnica] Mr McFarlane arrived in Honduras on Friday and left on Saturday. At the last meeting of the National Security Council held on either Tuesday or Wednesday of last week, I announced that a delegation from the United States would arrive a few hours later to discuss bilateral relations. At that time, I said the delegation was coming and I expected the press to push for more information on who was arriving, but I noticed you did not give it much importance. Mr McFarlane arrived with a somewhat large delegation to discuss bilateral matters, because as you know, the Honduran Government has submitted several proposals to the U.S. Government concerning economic cooperation and security matters. He also came to outline President Reagan's policy toward Central America after his inauguration for a second term in office. In a process of negotiation, such as the one Honduras and the United States are involved in now, some matters cannot be disclosed while they are being negotiated because they are sensitive issues. However, I can report that we told Mr McFarlane that the Honduran Government and people want the United States to be as understanding toward us as we have been toward them.

[Question] What will the Honduran Government do if the United States does not sign a bilateral defense treaty with Honduras?

[Paz Barnica] We are negotiating now. We cannot pass judgment on a process that is not yet concluded.

[Question indistinct]

[Paz Barnica] The negotiation process has not ended. I am telling you this in my capacity of the foreign secretary who is participating in the negotiations. I am also member of the high-level commission appointed by the president of the Republic. You are a newsman; you are obtaining information and I am more than happy to oblige.

[Question] Indications are that it will not go through.

[Paz Barnica] The process of negotiation has not ended yet.

[Question] Did Mr McFarlane show understanding toward your problems?

[Paz Barnica] What we told him was that we want the United States to be as understanding toward Honduras as Honduras has been toward the United States.

[Question] What was Mr McFarlane's response?

[Paz Barnica] Well, he said that the Reagan administration will never abandon its friends in Central America and reiterated the policy of support to democratic governments and the efforts of the Contadora Group, which we see as the basic solution to the Central American conflict.

[Question] Is that commitment enough for Honduras?

[Paz Barnica] It was a conversation.

[Question] Mr Secretary, what did Honduras finally decide about the Contadora Group meeting of plenipotentiaries?

[Paz Barnica] Honduras will attend. However, we have expressed our solidarity with Costa Rica, as is natural. The problem is that if one country is absent, there is no meeting; more so if one of the five Central American countries does not attend. There would be no meeting. I told Nicaragua's Deputy Foreign Minister Mr Talavera this. I said that this sensitive matter of Nicaraguan-Costa Rican relations must be resolved so that Contadora is not hurt, because we want Contadora to advance so that true peace can be achieved in Central America without foreign intervention of any kind, neither U.S. nor Soviet.

[Question] Was there indeed a bilateral problem between Costa Rican and Nicaragua [words indistinct]?

[Paz Barnica] Well yes, because if Costa Rica says it will not attend -- and it is one of the five Central American countries -- and all are sitting at the table... [sentence incomplete]

[Question] Is Costa Rica obstructing the Contadora process?

[Paz Barnica] No, because it has a problem with Nicaragua. Nicaragua must resolve that problem in a way that will satisfy Costa Rica, a country which is very admired and respected. Well, good afternoon gentlemen.

EPS REPORTEDLY HARASSES BORDER TOWNS, PEASANTS

PA221454 Tegucigalpa Cadena Audio Video in Spanish 1215 GMT 22 Jan 85

[Text] The Sandinist People's Army [EPS] has once again violated our national sovereignty when it entered the community of (Puyusupo), San Marcos de Colon jurisdiction, Choluteca, over the weekend. A group of 20 EPS militiamen entered (Puyusupo) where they frightened the workers at the San Juan farm owned by Maria Salgado. They also harmed Antonio Gomex Pastrana and Angel Espino Zelaya; to date their whereabouts are not known. The workers who were able to evade the Sandinist aggression later reported that the EPS soldiers, armed and making threats, asked them about areas where counterrevolutionary camps could be located. The residents of the community (Puyusupo) have begged the authorities to send more military personnel into the area as soon as possible because they fear more problems in the future. The residents recalled that last year there was heavy fighting between Honduran and Nicaraguan troops in that region and that the EPS suffered seven casualties. The Honduran Government was forced to cremate the bodies of the seven Nicaraguans because their bodies were found in a state of advanced decomposition. The ashes were later turned over to Nicaragua at the La Fraternidad border post. This new aggression against our national sovereignty will be protested by the Honduran Government through the Foreign Secretariat. After several months of calm at the border, the Sandinist Army has once again begun to harass border towns.

NICARAGUA

IRANIAN PRIME MINISTER ARRIVES ON OFFICIAL VISIT

PA240115 Managua Radio Sandino Network in Spanish 0010 GMT 24 Jan 85

[Text] Nicaraguan President Commander of the Revolution Daniel Ortega Saavedra and the government cabinet welcomed Hoseyn Musavi this afternoon, prime minister of the Islamic Republic of Iran, and a large delegation at the Augusto Cesar Sandino International Airport. The Iranian prime minister was welcomed with a military parade; he then reviewed the Sandinist People's Army honor guard.

The illustrious visitor will remain in our country until Friday, and he will meet with President and Commander of the Revolution Daniel Ortega, Foreign Cooperation Minister and Commander of the Revolution Henry Ruiz, and Agricultural Development and Agrarian Reform Minister and Commander of the Revolution Jaime Wheelock; he will also visit the Momotombo hydroelectric project and the Victoria de Julio sugar mill.

Tehran Reports Arrival

GF240618 Tehran Domestic Service in Persian 0430 GMT 24 Jan 85

[Excerpt] Our correspondent in Managua has a report on the arrival of Prime Minister Mir Hoseyn Musavi in Nicaragua:

[Begin recording] Following an invitation from Daniel Ortega, the president of Nicaragua, Prime Minister Mir Hoseyn Musavi arrived in Managua at 0130 Tehran time, or 1630 Wednesday, Nicaragua time, on a 3-day official visit. He was received at the Managua airport by President Ortega and other high-ranking military and civilian officials of the country.

During a meeting with President Ortega upon his arrival in Managua, Mir Hoseyn Musavi said: I am very happy to meet you for the third time. We consider your revolutionary country as our own home.

Mir Hoseyn Musavi, after visiting the tomb of Carlos Fonseca, the chief revolutionary of the Sandinist Front, said his evening and night prayers at the Iranian Embassy. He also attended the first meeting between high-level Iranian and Nicaraguan officials at 0600 today at the presidential palace in Managua.

During their 3-day stay in Nicaragua, the prime minister and his delegation are expected to discuss with the Nicaraguan officials Iran's policy of expanded relations with revolutionary and progressive regimes, the anti-imperialist policy of Nicaragua, its support for anti-U.S. movements, and greater political and economic cooperation between Iran and Nicaragua. [end recording]

FRG'S MOELLEMANN ARRIVES, VIEWS COOPERATION

PA231925 Managua Radio Sandino Network in Spanish 1200 GMT 23 Jan 85

[Text] Juergen Moellemann, minister of state in the FRG Foreign Ministry, said last night on arriving in Managua that his government is interested in increasing cooperation with Nicaragua and the rest of the Central American region.

He stressed that the tensions in the region have been caused by the situation of poverty and he added that it is important that any arms buildup be rejected.

[Begin Moellemann recording -- in German with simultaneous Spanish translation] The initiative that you just mentioned is very important for the FRG Government and Foreign Minister Hans-Dietrich Genscher. It is an attempt on our part to cooperate in order to overcome the problems in this region that are the social and economic reasons for the tension in the region. They can be overcome through cooperation and integration. We want to contribute to this. We think this is the appropriate path. It is an important path which will help in solving the difficulties and problems. The path of armament will not lead to peace. Only cooperation and integration will lead to peace.

Therefore, the FRG Government and foreign minister in the future will place great emphasis on everything that continues the San Jose conference. Another conference of this nature will be held this year in Europe with the same high-level participants, who will place more emphasis on the continuation of such a necessary process. [end recording]

HENRY RUIZ HOLDS TALKS IN CZECHOSLOVAKIA

For Czechoslovak reportage on the visit to Czechoslovakia by Nicaraguan Minister for Foreign Cooperation Henry Ruiz Hernandez, including his meetings with CSSR Deputy Premier Rudolf Rohlicek and CSSR Minister of Foreign Trade Bohumil Urban, and also including his signing of a Nicaragua-CSSR trade protocol, see the Czechoslovakia section of the 23 January Eastern Europe DAILY REPORT and subsequent issues.

ERNESTO CARDENAL SUSPENDED FROM PRIESTLY DUTIES

PA181959 Buenos Aires LATIN in Spanish 1845 GMT 18 Jan 85

[Text] Managua, 18 Jan (REUTER) -- Relations between the church and the Nicaraguan Government worsened today when Culture Minister Ernesto Cardenal stated that he will ignore an order suspending him from his priestly duties.

Cardenal was suspended yesterday. He is the second cabinet minister that the Catholic Church has punished in the past month for holding posts in the leftist government here.

The suspension was announced by Msgr Pablo Antonio Vega, president of the Nicaraguan Episcopal Conference, who said that the measure will remain in effect as long as Cardenal continues in his cabinet post.

In an unequivocal response published in today's issue of the newspaper BARRICADA, the organ of the FSLN, Cardenal said: "No one can take away the priesthood from me. One is a priest until one dies. What can happen is that they can ban me from officiating (mass)."

In noting that he will not give up his cabinet post, Cardenal added: "We have a commitment to the people and to give that up would be betraying them and the (Sandinist) revolution."

Cordenal's brother, Fernando, was expelled from the Jesuit Order on 10 December because he defied a papal ban on holding lay jobs.

According to church sources, Vega made the decision yesterday as Cardenal's superior in the Juigalpa diocese.

In his statement published in BARRICADA, Cardenal said that he had asked the FSLN National Directorate, which is made up of nine members, to relieve him of his cabinet post because he wants to devote his time to writing poetry. However, this request was denied because the Sandinist leaders felt that Cardenal is needed while Nicaragua is waging a war against insurgents who are backed by the United States.

There was no information today as to any decision made concerning a third priest who is in the Nicaraguan Government, Foreign Minister Miguel D'Escoto, who is a Maryknoll priest. All these priests were confirmed in their posts in a cabinet reorganization carried out last week on the eve of the inauguration of Daniel Ortega as the first elected president of Nicaragua since the 1979 ouster of the Anastasio Somoza Debayle dictatorship, which was backed by the United States. Diplomats said that the confirmation of the three clergymen stresses the lack of Sandinist willingness to make important concessions to the Vatican and the local Roman Catholic Church hierarchy. Edgar Parrales, Nicaraguan ambassador to the OAS, also kept his post in Ortega's new government.

Cardenal said today that he understands that a tacit agreement between the four priests and the Episcopal Conference had been made: They would not act as priests as long as they remained in their government posts.

Vega is considered the most conservative member of the 10-member Episcopal Conference. The Episcopal Conference has emerged as the Sandinists' opposition voice since the revolution triumphed. In a [word indistinct] statement made in October, Vega established a parallel between the Somoza dictatorship and the Sandinists, saying: "They only see man as a work tool and [words indistinct] world."

ENVOY TO OAS DECIDES TO LEAVE PRIESTHOOD

PA221223 Managua Domestic Service in Spanish 0300 GMT 22 Jan 85

[Text] Father Edgar Parrales [Nicaraguan ambassador to the OAS] publicly announced his decision to leave the priesthood in a statement in which he explains his position as a deeply religious man who is also [word indistinct] as a politician. In his statement, Parrales also reported on a number of letters he sent to his bishop, Father Ruben Lopez Ardon, and to Pope John Paul II between 15 June and 4 May 1984, and said he had never received a decision on his request. Likewise, he said that after he complied with all canonical procedures and after observing the required secrecy and discretion, he had harbored the hope that the Vatican would allow him to leave the priesthood on October 1984. However, the inexplicable reply was to suspend the decision, without hinting for how long or if further procedural requirements were still pending. Parrales said: There is no justification for the delay. He added that his decision was firm.

In a letter to Pope John Paul II, Father Edgar Parrales stated that he personally did not see any inherent contradiction between the priesthood and politics. In the letter in which he asked to be relieved of his priestly duties, Father Parrales added that there are no differences of opinion between his ideas and the church's thinking. In that letter, which was sent to the Vatican and which he read today, Parrales said that he has a positive, dynamic, and hopeful vision with regard to the Nicaraguan revolutionary process. He is aware that other persons and elements within the church hierarchy do not share his view. The following is a statement by Father Edgar Parrales, regarding the communique issued this afternoon:

[Begin recording] I am making a statement to publicly announce all my actions. So far, the Vatican has not replied on the procedures followed.

Of course, the logical reply is to allow me to (?leave the priesthood). I have publicly announced my decision before the church and before society. However, tomorrow I will be sending a copy of this statement to the Vatican, so that it will learn about my statement directly from me. When I talk about [words indistinct] in a few months, no more waiting. I will give the Vatican time to release me. If the Vatican does not release me, that would mean that it would in fact be forcing me to be a priest against my will. That situation violates every kind of righs, human rights, social rights; it would even infringe upon my [word indistinct] rights, as a Christian and as a believer. This is so because throughout history man has reaffirmed his devotion to basic rights in his documents; those rights include the right not to be forced to be part of a group. Thus my human rights would be violated by forcing me to be part of a religious organization. Therefore, I will wait. You know that in the past 200 years, mankind has made great strides in that respect, starting from the French Revolution's Declaration of the Rights of Men, and later on with the U.S. Declaration of Independence [words indistinct]. [end recording]

MSGR VEGA DISCUSSES SANCTIONS AGAINST PRIESTS

PA230330 Managua LA PRENSA in Spanish 18 Jan 85 pp 1, 12

[By Norman Talavera]

[Text] The four members of religious orders who have been confirmed in the Sandinist cabinet with the rank of minister have had canonical penalties imposed: "They will not be able to exercise their priestly ministry and they will not be able to actively participate in sacred function."

Msgr Pablo Antonio Vega, president of the Nicaraguan Episcopal Conference, told the news media that the Sandinist priests will not be able to use their titles of priest, father, or presbyter. During the interview given yesterday by the monsignor, he said that the penalties have the origianl canonical names of "adivinis" and "interdicto."

The three priests who are being penalized this way are Foreign Minister Miguel D'Escoto, Education Minister Fernando Cardenal, and Culture Minister Ernesto Cardenal.

Msgr Vega was asked if the current Sandinist ambassador to the OAS in Washington, Edgar Parrales, was included in the same procedure and he answered affirmatively but noted that other procedures apply to Parrales.

"These penalites have already been defined and applied. Some of the affected have already been informed by their superiors or bishops and the others will be informed at any moment." This statement was made by Msgr Vega referring to the penalized priests.

Vega, who is also prelate bishop of Chontales, said that he is the bishop of poet Ernesto Cardenal and had therefore already advised him of the penalties. Vega said that unless he receives a reply from Cardenal stating that he has withdrawn from his government post, the penalties will be confirmed at the proper time. He added that the same thing has happened with Jesuit priest Fernando Cardenal who has also been notified by his superiors. Miguel D'Escoto will be notified by the Maryknoll Order.

Vega said that the suspension of the religious authority of the priests is temporary "because they (the priests) can recover their standing." Vega added that the confirmation of the three priests in the cabinet has confused and upset the bishops "but we do not want to cause a confrontation. We will not cause conflicts in the government and our protest letter was very explanatory."

Throughout the press conference he was very cautious and measured his words in order not to create a climate of conflict (in addition to what already exists) with the government. The journalists were asked to write out the questions in order not to disrupt the dialogue that the church hierarchy is maintaining with the Sandinist government. In his press conference, Msgr Vega did not specify the date of the fourth round of talks that the bishops will hold with the Sandinists, but did confirm that the most recent one was held last Monday. He said that the last talks "served to agree on effective ways to communicate and to speed up programs by mutual agreement."

When he was asked whether the apostolic nuncio had used his influence to have one of the bishops to attend President Daniel Ortega's inauguration, he replied emphatically that the Episcopal Conference is sovereign and independent in its decisions and that only out of courtesy was Msgr Andrea Cordero invited to attend all the meetings, including those held with the Sandinists.

The monsignor explained the conversation he held with the [censored word] of Cuba, Fidel Castro, during Ortega's inauguration. He said that the latter had spontaneously invited him to visit the island but that no formal decision had been made yet. He added that last Wednesday the Cuban ambassador tried to telephone him but that he was not in. He believes the call could have been to discuss the visit but that so far he does not even know how to get in touch with the Cuban ambassador. He said that in order to visit Cuba he would have to consult with the other bishops of the Episcopal Conference "because if this trip is made, it must be constructive. Vega said he had faith in Fidel Castro's goodwill not to export revolution to other countries without going into any details on the politicaly system of Castro's government.

"Monsignor, is it true that Fidel Castro offered economic aid to construct the cathedral?" we asked the bishop. He replied: "No, he talked to me about the reconstruction of the Havana cathedral and I told him why the Managua cathedral had not been rebuilt." He said that in the talks he held with Castro he had spoken of the realities of "our peoples" and that the bearded speaker had told him (he did not say from where) that the church and the state were willing to talk. In conclusion, we asked him what he thought about Castro's personality. He replied that the personality of this [censored word] was internationally known and therefore needed no definition.

PEREIRA TURNS OVER ASSEMBLY SEAT TO GODOY

PA231926 Managua Radio Sandino Network in Spanish 1200 GMT 23 Jan 85

[Text] In a farewell speech to the National Assembly yesterday, Constantino Pereira said that Virgilio Godoy will now hold a seat in the National Assembly that he denounced so much. During the last minutes of the session of the National Assembly yesterday, Pereira bade farewell to the members in view of the expected arrival of Virgilio Godoy, the principal holder of the seat in the National Assembly. To the surprise of other members and the anger of the Independent Liberal Party [PLI] legislative faction, Pereira called on Godoy to come and occupy the seat in the Assembly that he had tarnished with his abstentionist and sell-out position during the recent Nicaraguan elections.

Pereira, who was expelled from the PLI for participating in the elections, said that he had acted firmly, ignoring the despicable persuasion used to try to make him support the abstentionist position. While Pereira was speaking, the members of the PLI faction supporting Godoy left the Assembly hall. On concluding his speech, Pereira invited Virgilio Godoy to come confront the people from within the National Assembly and not by conspiring from outside.

COMMUNIST PARTY LEADER SEES REAGAN AS 'THREAT'

PA230011 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 22 Jan 85

[Text] Ronald Reagan's reelection in the United States poses a grave threat for the security of Nicaragua and Central America, according to Eli Altamirano, secretary general of the Communist Party of Nicaragua.

[Begin Altamirano recording] The U.S. Government that will be inaugurated today has its back to the people, does not represent the people's interests, and is the result of the conscientious vote of the U.S. popular masses. [sentence as heard]

Reagan's inauguration in the United States poses a grave danger for Nicaragua's security. Surely, very difficult and serious days lie ahead for us. Reagan plans to maximize his warmongering stance against our country and all Central American peoples, in such gigantic proportions that merely thinking about this should be a cause of concern, to the point that the democratic and revolutionary forces of Nicaragua and Central America should join efforts to ward off the immense dangers with which the U.S. President threatens us. [end recording]

VOICE OF SANDINO CRITICIZES CASTRO STATEMENTS

PA230405 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2230 GMT 21 Jan 85

[Text] Fidel Castro is the blasting cap of the fire bomb setting Latin America on fire.

The Cuban dictator's brazenness, arrogance, and recklessness could be noticed once more in his statements to the magazine EL PAIS.

Castro's statement that the nine puppets must continue arming themselves and abstain from paying the foreign debt is but one of his many acts of meddling in our internal affairs which we, rebel patriots, condemn with rifles in hand.

Statements like this turn Castro into the blasting cap of the bomb he referred to. We say this because the destabilization and the attempts at expanding communism in the region originate in the dictatorial mentality of Fidel Castro, who has described our America as a time bomb.

It is obvious that our Latin America is embattled and that the epicenter is located in Central America, and more specifically in Nicaragua, where a resolute struggle is under way against communism, which the Russian imperialists are trying to introduce via Cuba.

In view of these statements by the Caribbean dictator, we of the Democratic Revolutionary Alliance wish to state that our struggle against intervention and invasion will continue because Sandino lives through each and all of us, who have said no to Managua's genocidal totalitarianism.

COMMENTATORS DISCUSS REAGAN'S INAUGURAL ADDRESS

FL221953 Havana Television Service in Spanish 1253 GMT 22 Jan 85

[Commentary by Isabel Lage and Javier Rodriguez, during the "Revista de la Manana" program -- live]

[Excerpts] [Lage] Today, in our international dialogue, we are going to comment on President Ronald Reagan's inaugural address, in which he addressed different subjects including the U.S. domestic situation, which he referred to as a renaissance, a splendor of the U.S. economy, at least he described it this way; the deployment and development of the new MX, Trident, and cruise missiles. and the E-1 bomber [as heard]. He also mentioned the arms limitation talks begun in Geneva with the USSR; he said they would continue. Regarding other matters Reagan said that the United States is promoting development and peace, as he called it, in different parts of the world. We respectfully have our own opinion about that.

[Rodriguez] Isabel, I believe that yesterday's speech, given in Congress inside the shelter of the Capitol because of the great cold in Washington, was full of grandiloquent expressions and chauvinist statements about the greatness of the United States, the renewal of the nation, and its role in the world. These statements, which are not new in Reagan's speeches, marked yesterday's address. In analyzing the speech we see that Reagan exalted his first term in office. He said he would use the progress achieved in his first term to build a society full of opportunities. He did this precisely at a time in which new reductions in social expenditures have been announced in the United States to try to reduce the enormous U.S. budget deficit of more than $200 billion. The reelected President did not explain how he would overcome this deficit, it was hard for him to explain how to do it because the expenditures for war, for new arms, for the amounts budgeted for the Pentagon hang like a millstone around the neck of the national budget and, in large part, caused the enormous deficit that forced drastic reductions in social expenditures during Reagan's entire first term. And now new reductions, especially in health care, have been announced to try to reduce the federal deficit. Contradictions are the norm in the President's relations with Congress. In his speech, Reagan spoke of freezing expenditures at the 1985 level but congressional majority leaders have said the Congress will try to reduce the amounts budgeted for the Pentagon; that is, for the manufacture of arms and the government's plans for war. The President's relations with Congress will be severely affected despite Reagan's statements yesterday on the budget and the purported freeze planned for 1985, which was another important part of the speech.

[Lage] We agree in referring to the purported freeze because, during the 4 years of President Ronald Reagan's first term, the U.S. Government greatly increased the military budget and, as is well-known, the military-industrial complex exercises great influence and is the real beneficiary in all these matters, and maintains the arms race. It must be point out that, during Ronald Reagan's first term, 34 million U.S. citizens lived below the poverty line. This means that during this new term, with the (?modus operandi) of the Reagan administration, this number will grow. It must also be said, Javier, that despite all the rhetoric, the dialogue, this speech with dovelike words, there is in fact evidence the entire line taken during the first term will continue. Proof is supplied by the fact that the commission that will continue the talks with the USSR consists of persons described as administration hardliners, that is, persons opposed to arms limitation and controlling the enormous arms race unleashed by the USSR. [as heard] The U.S. President says the United States must defend itself and establish world peace, although for the United States peace means increasing its aggression in Central America and increasing tensions; this is the peace to which the U.S. President is referring although he describes it in another way.

[Rodriguez] Yes, you are describing an argument used in Reagan's address: that the USSR has an enormous military budget and has enormous military might. This traditionally has been the pretext for carrying out the arms race that the United States is pushing. The accusations he made against the USSR in his speech really contradict other parts of his address; for example, when he speaks of his administration's readiness to continue research on space war, the program popularly known as tar ars, in which militarization is extended to space. That is, in his address he defended the need to increase U.S. military might; he spoke of the MX missiles, the strategic missiles for which he wants Congress to continue voting funds; he defended an entire line that has been widely criticized by international public opinion and that really has no relationship to the path to peace. It is hard to pretend to be a champion of peace and say one is willing to destroy nuclear weapons, as President Reagan did in his address, while supporting research programs to militarize space. Reagan also referred to Latin America; in a generic fashion he spoke of Latin America, ignoring the repeated denouncements of the use of the philosophy of the force by the United States to resolve problems on our continent. He spoke of a purported program to aid liberty in Latin America, forgetting that the most obvious examples of U.S. aid are the aid given to Pinochet and the aid given to the Salvadoran Government, which are not precisely examples of aid favoring liberty on the continent. I believe that the President's address definitely did not contribute anything new at this moment, when humanity is hopeful of, and has the right to demand, a serious effort to achieve world peace. It has the right to demand a change in the course the U.S. Administration followed during its first 4 years.

[Lage] That's true, Javier. In his entire speech, despite using terms referring to peace and progress, and other things, he avoided concrete reference to the U.S. program and position in relation to the talks in Geneva. This shows that, for the moment, there is no intention to limit the arms race and limit the development of space arms for the militarization of space. These were fundamental aspects in Geneva that attempt to avoid the militarization of space this year.

COMMENTARY NOTES DISCOVERY SATELLITE LAUNCHING

FL231727 Havana Television Service in Spanish 1245 GMT 23 Jan 85

[Commentary by Juan Martin and Roberto Fernando Alvarez Quinones, on the "Revista de la Manana" program -- live]

[Excerpts] [Quinones] As you have heard, the launching of the space shuttle Discovery has been postponed 24 hours and may be carried out tomorrow. The goal of this trip is to put a spy satellite in orbit over the USSR in an attempt to pick up all of the USSR's telex and telephone transmissions. This mission of the shuttle Discovery directly affects the continuation of the USSR-U.S. talks on nuclear and general disarmament. The Star Wars program of the U.S. Administration begins with this launching, despite the warnings issued and denunciations made in this respect.

[Martin] As you have said, the launching has been postponed but not canceled. If it has not taken place yet, it is because of the low temperatures at Cape Canaveral in Florida. But it will take place. The satellite will be placed at an altitude of 36,000 kilometers in a geostationary orbit; it will move with the earth. It will always be in the same place, permanently over Soviet territory.

We would have to see what the reaction of the U.S. Government would be if it were learned that the USSR was going to place a satellite in a geostationary orbit at a altitude of 36,000 kilometers over U.S. territory. We would have to see what opinion the U.S. Government would have if the Soviets did this. It must be said that, after the overthrow of the shah of Iran, the United States lost a large espionage station that it had spying on the USSR from Iran. From that moment on, it rapidly increased military expenditures for the development of space weapons and spy satellites. It must also be remembered that, since then, NASA, which is the U.S. civil space agency, has spent less money on space than the Pentagon; that is, the official agency for space spends less than the Pentagon, the Pentagon spends more money than NASA. I believe that it is important to stress this because, starting with the fall of the shah, U.S. space expenditures shot up. This is called keeping the secrets. As is known, in mid-December THE WASHINGTON POST said it was a spy satellite, and this whole matter was uncovered. Caspar Weinberger, the secretary of defense -- the name is of German origin, and a little hard to pronounce -- Weinberger said it was the height of irresponsibility to write such a thing because it was a spy satellite. I believe this shows us their lack of sincerity.

[Quinones] In the past few hours, the top Soviet leader, Konstantin Chernenko, has issued a call for the nonmilitarization of space and again warned the Americans to avoid going ahead with the militarization of space so the conversations recently initiated by the foreign ministers of the USSR and the United States can progress to a happy ending.

[Martin] The United States has resumed its position of the past 4 years, the position of the Reagan administration, of negotiating from positions of strength. This position has not brought good results for the United States. In the long run, the United States has had to agree to negotiate with the USSR. But is is again insisting on maintaining its position...[rephrases] To spend 26 billion on space research is senseless if you are going to destroy the weapon. It's as if you were going to tear down a building, for example, and someone told you: Before you destroy it you have to put up a wall here, paint it this way, furnish it. You would say: But I am going to destroy it; I don't have to paint it or build new walls. This really awakens doubts about the sincerity of the United States, its real intentions.

[Quinones] As you have pointed out, the United States has always tried to carry out its international policy through positions of strength, using the atomic bomb during World War II and maintaining this policy ever since.

[Martin] The most recent example is the use of the Pershing and Poseidon-II missiles in Europe, with which it got nowhere.

[Quinones] Despite the fact that at this moment the main West European leaders, the Pershing missiles are being deployed in Europe, have reacted in some degree to the great popular protest against the deployment of the Pershing missiles and the errors that can be committed as in the case of the Pershing motor that exploded recently in the FRG.

[Martin] The USSR now has every right to place a satellite over the United States. Because if they put a satellite on my head, I can put a satellite on theirs. So this really does not lead anywhere. This U.S. position is not helpful, and for this reason it is of interest to comment on this matter because the launching has not been canceled. It has been postponed because of the cold. We'll have to see when the launching is carried out and what effect this can have on the disarmament talks.

[Quinones] Independent of the fact that the new stage has begun and that the United States has named its delegation to the talks with the USSR, it is important to point our the reiteration by the USSR of its decision to go ahead with these talks with the aim of avoiding a nuclear catastrophe that could end human life on earth.

'OUR AMERICA' ON COSTA RICA-NICARAGUA RIFT

PA211238 Havana International Service in Spanish 0000 GMT 20 Jan 85

["Our America" commentary]

[Text] As the international community rejoices over the renewal of USSR-U.S. disarmament talks, some Central American governments are ignoring the climate of world detente promoted by the talks and are endeavoring to complicate further the Central American conflict. This can be seen in the Honduran Government's decision to withdraw from the Contadora Group's negotiations, endorsing a similar measure adopted by Costa Rica in the wake of a diplomatic rift with the Nicarguan Government. After Costa Rica announced its decision, Honduras stated that it would not send a representative to the meeting of the Contadora Group scheduled for February unless Nicaragua complied with Costa Rica's demand.

The Luis Alberto Monge government is demanding that Nicargua return a deserter from the Patriotic Military Service. According to San Jose, this person, who had taken asylum at the Costa Rican Embassy in Managua for 4 months, was removed from the embassy by Sandinist police. Nicaragua has stated that the deserter was captured outside the embassy and that he later waived asylum. The Nicaraguan Foreign Ministry regrets Honduras' decision and said that the events at the Costa Rican Embassy have been misrepresented, manipulated, and exaggerated.

It becomes apparent from all of this that Costa Rica and Honduras, prodded by the United States, seek to torpedo the Contadora Group's peace efforts in Central America. The case involving the deserter from the Patriotic Military Service has been used as a pretext to pursue that goal. There can be no other explanation when one compares the insignificance of the incident at the embassy with the importance of the Contadora Group's finding a path to peace in Central America. These two matters can be weighed using the same scale, and the former does not have sufficient weight to influence the area's peace process. Therefore, Costa Rica's and Honduras' attitude can only contribute to (?undermining) the Contadora Group's path and endangering [words indistinct].

As we commented a few days ago, the objections by the Honduran and Costa Rican Governments to the Contadora Group's peace and cooperation document are aimed solely at counteracting Nicaragua's decision to sign the document as [words indistinct].

The case of the deserter serves only to fuel attacks on Nicaragua. At the same time, it serves to show, once again, who really opposes peace and detente in Central America. This question becomes clearer every day. Those governments and political forces which did not yet clearly see the problem of peace and war in Central America must have learned a little about the situation from Costa Rica's and Honduras' recent actions.

It goes without saying that behind the San Jose and Tegucigalpa governments' actions is the United States, the instigator of the area's anti-Nicaraguan policies and main source of tension ion the region. Nicaragua, on the other hand, has warned that it will not give in to its enemy's pressure or blackmail. The Sandinist leaders have repeatedly stated that, so anti-Nicaraguan plots will lead to utter failure, as has been the case to date.

NICARAGUA VICE PRESIDENT ON FUTURE OF CONTINENT

PA201300 Havana International Service in Spanish 0000 GMT 19 Jan 85

[Interview with Nicaraguan Vice President Sergio Ramirez Mercado by Ezequiel Perez Martin at the Government House in Managua; date not given -- recorded]

[Text] [Perez Martin] First of all, we would like to know what the Nicaraguan Government's principal measures to preserve the ideas of Sandino and Fonseca Amador will be.

[Ramirez Mercado] Well, this is a permanent revolutionary process that began with the FSLN's clandestine struggle in the sixties and years before with the struggle by Sandino himself. The ideas that inspired the beginning of our revolution have not changed; rather, they have been strengthened with the November 1984 popular triumph. The government platform that Commander Daniel Ortega presented during the elections reflects Sandino's historical program, which is the one that we will continue implementing. Thus, those political ideas, Sandino's ideology, will remain with us during the next 6 years as our revolution's guide.

[Perez Martin] Do you think the tension between the United States and Nicaragua will grow or diminish after the installation of this government, which was elected democratically by the people?

[Ramirez Mercado] Well, the United States insists on not recognizing the electoral victory of the Nicaraguan people. Its position, at least its public position, continues to be an intransigent and stubborn one. However, we trust that pragmatism will prevail, that we will reach an effective period of negotiations in the Manzanillo talks, and that the U.S. Government will give real proof of its so far dubious support for the Contadora Group process.

[Perez Martin] What have been the fundamental characteristics of the international cooperation with Nicaragua during the 5 years of the Government of National Reconstruction?

[Ramirez Mercado] Well, we have received economic cooperation from various international sources: the socialist community and Latin American, Arab and West European countries. This has enabled us to carry out many revolutionary projects. Now, with the inauguration of the new government, we hope that this diversified profile of cooperation with Nicaragua will continue. Our emphasis on foreign cooperation is such that we have appointed Commander Henry Ruiz, a member of the National Directorate, minister of cooperation.

[Perez Martin] What is your evaluation of Cuban President Fidel Castro's speech during the inauguration of the Nicaraguan Victoria de Julio sugar mill?

[Ramirez Mercado] Well, Fidel delivered a brilliant message on Cuba's political position, which is positive for peace in Central America. It was a real contribution to the peace process in Central America. We believe that this policy will greatly aid the process we are pursuing. Once again Cuba demonstrated its unselfish cooperation with the Nicaraguan revolutionary process when Commander Castro announced that the credit Cuba had granted for the construction of the sugar mill would not have to be repaid.

[Perez Martin] Finally, would you like to send a message to the Latin American peoples and the rest of the world as the Nicaraguan vice president through the microphones of Radio Havana Cuba?

[Ramirez Mercado] We would like to tell Latin America that to a large extent the future of this continent is being determined in Nicaragua. The independence and sovereignty of all the Latin American peoples is being decided here. The defense of the Nicaraguan revolution is a determining factor in Latin America's freedom and true independence in the future. We are a small and weak country, but we are doing everything possible to consolidate our independence and sovereignty by confronting U.S. domination, as Sandino did in 1927 when he stopped the advance of the imperial giant over the Latin American peoples. We are doing the same thing now.

TANZANIAN MINISTER ON CUBAN TROOPS IN ANGOLA

PA210151 Havana International Service in Spanish 1800 GMT 19 Jan 85

[Text] Tanzanian Foreign Minister Benjamin Mkapa has reasserted his government's opposition to South Africa's efforts to link Namibian independence to the withdrawal of the Cuban military contingent that is in Angola at the request of the Angolan authorities.

Mkapa said the African Continent as a whole rejects Pretoria's stance and denounces the efforts of the South African racists to destabilize neighboring governments. Mkapa made these statements in Dar es Salaam during a luncheon he hosted for Finnish Foreign Minister Paavo Vayrynen, who is in Tanzania on an official visit.

IRANIAN PRIME MINISTER STOPS OVER IN HAVANA

FL232347 Havana Domestic Service in Spanish 2332 GMT 23 Jan 85

[Text] Iranian Prime Minister Mir Hoseyn Musavi was in our capital for several hours en route to Nicaragua, where he will pay an official visit.

Upon his arrival in Cuba, he was received by Commander in Chief Fidel Castro, president of the Councils of State and Ministers, who took him on a tour of some of the more important educational and agricultural projects near Havana city.

The visit of the prime minister of the Republic of Iran to our country was also used to exchange views on regional problems and on some matters dealing with the bilateral relations. Others accompanying Fidel Castro were Carlos Rafael Rodriguez, member of the Politburo and vice president of the Councils of State and Ministers, Foreign Minister Isidoro Malmierca, and other leaders.

FOREIGN TRADE MINISTER VISITS CZECHOSLOVAKIA

For Czechoslovak reportage on the visit to Czechoslovakia by Cuban Minister of Foreign Trade Ricardo Cabrisas Ruiz, including his meeting with Czechoslovak Minister of Foreign Trade Bohumil Urban, see the Czechoslovakia section of the 23 January Eastern Europe DAILY REPORT and subsequent issues.

ARGENTINE SHIP ARRIVES TO OPEN MARITIME LINK

FL181424 Havana Domestic Service in Spanish 1100 GMT 18 Jan 85

[Text] The maritime link between Argentina and Cuba has officially opened in the last few hours with the arrival of the ship Rio Abaucan to the port of Havana. It is the first ship to arrive in Cuba in many years.

On board was a delegation which was met by Commander of the Revolution Guillermo Garcia, Politburo member and minister of transportation.

Minister Garcia held a lengthy and animated conversation with (Rene Charpenter), president of Vias Maritimas Argentinas, S.A., and other officials. They talked about important matters on maritime transportation between the two countries at the meeting, which will help the present world ship movement situation and the cost of petroleum.

SALVADORAN SOLIDARITY DRIVE HELD IN HAVANA

PA210231 Havana International Service in Spanish 1800 GMT 19 Jan 85

[Text] A party related to the international solidarity drive with the Salvadoran people was held at the AALAPSO office in Havana and attended by foreign representatives, regional organizations leaders, and diplomats accredited to our country.

Maria Medrano, representative in Cuba of the FMLN-FDR commission for international solidarity, has asserted that the class struggle will be bigger this year. She also said that the democratic and revolutionary alliance of guerrilla organizations will be more united.

AALAPSO issued a declaration supporting the Salvadoran people's struggle and recalling that the massacre of peasants on 22 January 1932 became an extremely important milestone in El Salvador's current political history, the significance of which goes beyond its borders.

The Continental Organziation of Latin American Students has released a communique denouncing U.S. military aid to the Salvadoran regime and the genocidal drive started by Jose Napoleon Duarte's government. The document also viewed the situation of the national university, which has been under military occupation for a number of years.

DELEGATION ATTENDS LIMA ANNIVERSARY CELEBRATION

PA180427 Havana International Servcie in Spanish 1800 GMT 17 Jan 85

[Text] Silvio Plasencia, vice president of the National Assembly of the People's Government in Havana, has arrived in Lima leading the Cuban delegation that will attend the celebration of the Peruvian capital's 450th foundation anniversary. Representatives of Spain, China, the DPRK, and Japan, among other countries, have also arrive in Lima to attend the celebration.

OFFICIALS ATTEND PLO ANNIVERSARY RECEPTION

FL191900 Havana Television Service in Spanish 1800 GMT 19 Jan 85

[Text] 'Imad Jadaya, PLO representative to Cuba, has held a reception to celebrate the 20th anniversary of the start of the Arab people of Palestine's heroic armed struggle. Jesus Montane Oropesa, alternate Politburo member and chief of the party's general department of foreign relations, attended the celebration.

Also at the reception were Eloy Valdes, deputy chief of the Central Committee's general department of foreign relations, Giraldo Mazola, vice foreign minister, and Levi Farah, minister president of overseas construction and president of the Cuban-Arab Friendship Association, as well as representatives from the diplomatic corps accredited to Cuba and liberation movements.

SOVIET SPECIALISTS WORK ON HAVANA METRO LINE

FL222000 Havana City Domestic Service in Spanish 1700 GMT 22 Jan 85

[Text] A group of Soviet specialists are in our country working on technical plans for the technical economic study of Havana's City first metro line. The delegation, headed by (N. Kulagin), chairman of the Central Institute of Metro Projects of Leningrad, has met with Jorge Lezcano and Oscar Fernandez Mel, vice president of the National Assembly of the People's Government and president of the Provincial Assembly the People's Government, respectively.

The Soviet specialist said the works done by the Havana City executive group are very satisfactory. Lezcano and Fernandez Mel said they are pleased with this positive evaluation and with the beginning of the joint studies. They also emphasized the priority the country's leadership is giving to this project.

GDR'S VICE MARITIME MINISTER RECEIVES DECORATION

FL231229 Havana Television Service in Spanish 1204 GMT 23 Jan 85

[Text] Commander of the Revolution Guillermo Garcia Frias, Politburo member and minister of transportation, has decorated the GDR's vice maritime minister with the Aracelio Iglesias award in a ceremony held in Havana. The ceremony was attended by high-ranking trade union and administrative officials. Evaristo Baranda, member of the party Central Committee and secretary general of the National Merchant Marine, Port, and Fishing Workers Union, read the resolution awarding the decoration.

MINISTER DEL VALLE INAUGURATES GENETICS LABORATORY

FL191342 Havana Domestic Service in Spanish 1100 GMT 19 Jan 85

[Text] Sergio del Valle, Politburo member and minister of public health, has inaugurated Cuba's first genetics laboratory which is located in a hospital. The laboratory is at the Jose Luis Miranda Pediatrics Hospital in Santa Clara. The first work stage of the center will be directed toward the detection of genetic and cogential diseases and other illnesses. Del Valle said the laboratory was an example of the successfulness of the scientific and technical development projects which Commander in Chief Fidel Castro promotes, he being the main inspiration for this work. The center has equipment made in the GDR and Cuba.

POLITBURO MEMBER ON PCC BASE ASSEMBLIES

PA232001 Havana International Service in Spanish 1800 GMT 21 Jan 85

[Text] In an interview, PCC Politburo member Jose Ramon Machado Ventura told GRANMA that the emphasis that will be placed in 1985 on the working goals of the base organizations of the Communist Party of Cuba [PCC] is contained in our top leader Fidel Castro's notions on Cuban economy.

Machado Ventura reported that the process of holding assemblies prior to the realization of the Third PCC Congress began at the base organizations in the first part of the month. He added that this will continue at the municipal level in April, May and June, while the same will be done in the provinces in June, July, September, and October.

RENE PENALVER ADDRESSES CTC VANGUARD CEREMONY

FL221451 Havana Television Service in Spanish 1202 GMT 22 Jan 85

[Text] At a ceremony held by the Central Organization of Cuban Trade Unions [CTC] honoring the 40 national vanguard workers selected by the National Food Industry Workers Union for the year 1984, Rene Penalver, second secretary of the CTC and member of the party Central Committee, said: The vanguard workers of the food industry will be the first combatants in the people's economic war announced by our commander in chief, Fidel. The ceremony was held at the Armando Mestre social club, in the capital.

UJC NATIONAL COMMITTEE SIXTH PLENUM OPENS

FL231902 Havana Domestic Service in Spanish 1800 GMT 23 Jan 85

[Text] The Sixth Plenum of the National Committee of the Union of Young Communists [UJC] began this morning with the objective of studying ways of carrying out the tasks recently assigned to Cuban youth by our commander in chief, Fidel Castro. Jose Ramon Machado Ventura, Politburo member, and Antonio Perez Herrero, alternate member of the Politburo, attended the meeting and the first secretary of UJC National Committee, announced some changes in responsibilities among members of the National Bureau bid farewell to comrades who are going to occupy posts in other organizations, and introduced new members of the National Committee, which now numbers 172, including 149 full members.

The plenum's main report deals with the UJC's ideological work as a function of economic development tasks through the year 2000, and with the mechanisms used by this organization to motivate participation of young people in economic activity. The meeting concludes this afternoon with an activity at the Jose Marti Iron And Steel Works, formerly Antillana de Acero.

FISHING FLEET SHOWS FIRST PROFIT IN 1984

FL240029 Havana Domestic Service in Spanish 0000 GMT 24 Jan 85

[Text] In 1984, for the first time since it was founded, the Cuban Fishing Fleet showed a profit. That is, it was not subsidized. During the year, it showed profits of more than 2 million [presumably pesos], which represents 3 centavos of earnings for each peso of production. Also in 1985, the Cuban fishing fleet contributed a net amount of more than 11 million pesos to the state budget.

PRESIDENT MEETS WITH DOMINICA PRIME MINISTER

PA181534 Paris AFP in Spanish 0452 GMT 18 Jan 85

[Text] Santo Domingo, 17 Jan -- President Salvador Jorge Blanco met last night with Dominica Prime Minister Mary Eugenia Charles, who has begun a 3-day official visit to the Dominican Republic. Government spokesmen have reported that bilateral and regional affairs were discussed during the meeting.

Before the meeting Jorge Blanco and the first lady hosted a dinner in honor of the visiting head of state.

The prime minister of Dominica is staying at a hotel at La Romana, 80 km east of Santo Domingo, where, responding to an invitation of the Association of American Youths, she will give a conference tomorrow.

Jorge Blanco invited the Dominican leader as part of his government's policy of strengthening ties with the Caribbean nations, a Foreign Ministry communique notes.

VENEZUELA TO CONTINUE SUPPLYING PETROLEUM

FL190156 Santo Domingo LISTIN DIARIO in Spanish 10 Jan 85 pp 1-2

[By Tulio Navarette]

[Excerpt] The Venezuelan Government will continue its normal supply of petroleum to the Dominican Republic, according to a statement by the director general of the Venezuelan Finance Ministry, Dr Eduardo Mayobre.

The official also confirmed the agreement between the two governments under which the Dominican Republic will pay its $181 million oil debt in installments.

He said the Venezuelan Government has no intention of suspending the supply of crude.

He confirmed the acceptance of a plan to pay the debt in installments, which was proposed by the Dominican Government through the secretary of the presidency, Hatuey de Camps.

TRINIDAD

OPPOSITION SENATOR SAMAROO CRITICIZES 1985 BUDGET

FL222330 Bridgetown CANA in English 2227 GMT 22 Jan 85

[Text] Port-of-Spain, Trinidad, Jan 22, CANA -- The chief opposition spokesman in the Senate has described the government's 1985 budget as a formula for social unrest.

Senator Dr Brinsley Samaroo said yesterday, as debate on the financial package began in the upper house, that the measures presented almost two weeks ago, would lead to escalating unemployment due to the failure of government to invest substantially during the rich years for the lean years.

The budget, with projected total expenditure of 10.5 billion dollars (one TT dollar: 41 cents U.S.) was characterised by heavy new taxation and a reduction in subsidies, reflecting a downturn in the economy after the oil boom years.

Samaroo said that People's National Movement Government, in power since 1956, had concentrated on consumption rather than long-term capital spending.

During the period 1974 to 1984, the senator claimed that government had devoted 62 per cent of its income to current needs while only allocating 37 per cent to capital expenditure. As example, he cited that agricultural and manufacturing sectors. Failure to invest in agriculture, he told the Senate, had led to a 778 per cent growth in food imports between 1970 and 1983.

In the manufacturing sector, Samaroo said that there had been minimal improvement to the tune of 2 per cent between 1976 and 1983 in the growth of the proportion of manufactured goods to total non-oil exports.

ENERGY MINISTER ANNOUNCES OIL FIELD DISCOVERY

FL281340 Bonaire Trans World Radio in English 1230 GMT 18 Jan 85

[Text] Trinidad's Energy Minister Patrick Manning has announced the presence of a major undiscovered oil field in Trinidad and he invited oil companies to step up exploration efforts.

Speaking during a parliamentary debate on Trinidad and Tobago's proposed $4 billion budget, Mr Manning said an analysis by very capable engineers had concluded that the oil reserves lay under the Trinidad land mass.

He invited the oil companies to take advantage of recent tax incentives announced by Prime Minister George Chambers and to locate the fields to open them for exploration.

EDUCATION, ECONOMIC AGREEMENT SIGNED WITH CUBA

FL231218 Bonaire Trans World Radio in English 1130 GMT 23 Jan 85

[Text] Guyana and Cuba have signed an agreement on areas of economic and technical cooperation that will lead to the establishment of schools of medicine and language, Officials say the agreement, signed Monday night in Georgetown, followed 4 days of discussions by a joint commission headed by Guyana Health Minister Richard van West-Charles and Cuba's Agricultural Minister Alfonso Diaz.

Mr Van West-Charles says that the Hanava government will send personnel to Guyana to set up schools of medicine and language at the University of Guyana. The agreement also provides for Cuba to give the Guyanese Government a $650,000 line of credit.

SURINAMESE POLICE ARREST GUYANESE WORKERS

FL231652 Bridgetown CANA in English 1618 GMT 23 Jan 85

[Text] Georgetown, Guyana, Jan 23, CANA -- Scores of Guyanese have been held by the Suriname authorities in a crackdown on illegal immigration, a government official said here today.

The campaign is a joint exercise carried out by the Surinamese military police and customs authorities, he said.

The campaign began over the last week end and will continue for an indefinite period, the official, who declined to be named, added. He was unable to give the exact number of Guyanese arrested.

He quoted the second in command of the Suriname military police Major Zeeuwu as saying that certain problems have arisen in the country's agricultural sector as a result of the departure of foreign workers.

But the employers will have to shoulder the additional strain because they have failed to get their employees to observe legal procedures, Zeeuwu is reported to have said.

The procedures stipulate that employers are not allowed to employ aliens without registration and work permits.

A police official in Georgetown said Guyanese who have been caught in the campaign are being detained at the military headquarters, Fort Zelandia, awaiting transportation to Nickerie, (on the border of the two countries), from where they will travel by boat to Guyana.